Explaining Money (Page 11)

THE FINANCIAL POST

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The Canadian Newspaper for Business Men and Investors

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The Nation's Business

- Canada's New Wheat Policy
- To Sell, Not Hold
- League of Nations and Canada
- Support But With Reservations
- Freezing Debts By Tampering With Them

Canada Now Will Sell Wheat

THE policy that the new government has adopted toward the sale of Canada's huge wheat carryover will commend itself to those citizens who have most earnestly studied the implications of our holding policy of recent years. Canadian wheat is to be offered at competitive prices but will not be dumped.

Under the Bennett-McFarland régime Canada held its wheat at fictitious levels, which meant that the Canadian taxpayer became the chief buyer of it. Under the new régime wheat will be sold at a price that makes allowances both for world prices and for the superior quality of Canadian wheat. But it will not be thrown on the market at a rate to break price levels. The latter reservation is necessary because, since the change of government, British millers have gone on a buyers' strike, in the apparent hope of forcing Canada into what Ottawa speaks of as a "fire sale."

The essential difference between the old policy and the new is that formerly emphasis was placed upon holding wheat and now emphasis will be placed upon selling wheat.

* * *

WITH such a change of policy there is a good chance of bringing our surplus down to reasonable proportions within a year or two at most, and doing so without serious losses to the taxpayers of Canada.

Thus an early end to Canada's gigantic and unfortunate wheat gamble is in prospect.

The new chairman of the wheat selling board, James R. Murray, is a thoroughly experienced world wheat trader who commands the confidence of a large proportion of western farmers and who may be counted upon to sell wheat steadily without doing so at the sacrifice prices.

* * *

Canada and Oil Sanctions

IT BEGINS to look as if this country will take out its 1935 membership fee ($250,000) in the League of Nations in controversy. When Hon. Ernest Lapointe, acting prime minister, issued a statement last Monday publicly rebuking Dr. W. A. Riddell, permanent advisory officer for Canada at Geneva, he upset apple carts both in Canada and abroad. The heated controversy which has broken out at home will probably be equalled by the indignation and bafflement which will prevail at European capitals.

This controversy is unfortunate and was never necessary. Canada's position toward the League is moderately clear. It was only when Dr. Riddell made the suggestion he did make in a League committee, that Canada's position was misrepresented. It was misrepresented by certain groups in London and Geneva who would like to force Canada into the forefront of League activities in order that they might remain in the background.

Immediately an effort was made to imply that Canada had finally thrown itself unreservedly behind the League. This interpretation was not justified either by Dr. Riddell's proposal or by the clear statement of the Canadian position that had previously been published.

Yet Mr. Lapointe met the situation less than tactfully. His own statement, coming at the time it did and in the manner it did, provoked controversy at home and abroad that was not conducive to peace.

* * *

THERE is no such thing as a united Canadian public opinion on international affairs. But the stand taken by Mr. Lapointe on oil sanctions against Italy is in harmony with our governmental policy since 1919—whether under Conservative or Liberal governments.

Canada's policy toward world wars, toward collective security and toward the League has been in a state of flux, but has tended to be one of support of the League with very definite reservations.

There is a strong pro-League group in Canada. It might be more accurate to say there are several such groups, including those who are purely sentimental and unrealistic on the subject of peace, and including others who see in the League of Nations the world's best guarantee of a workable system of

(Continued on page 2, col. 3).

Budget Balancing Will Come Before Provincial Loans

Ottawa Will Not Play Santa Claus to Provinces

CUT RELIEF WASTE

Debt, Trade, and Unemployment Chief Problems for Dominion-Provincial Conference

From Our Own Correspondent

OTTAWA. — Provincial dreams that the King government will gladly accept the rôle of Santa Claus at the Dominion-provincial conference to begin December 9 are not going to be realized.

Careful appraisal of cabinet opinion at Ottawa indicates, emphatically, that treasury raids by the provinces, regardless of political affiliations or of the urgency of the apparent need, will be repulsed.

While not unsympathetic, it is a fact that the King government is determined at all costs to protect and buttress Canadian credit. And the first objective in this regard, undoubtedly, is to balance the Dominion budget not only on ordinary account (this is now pretty well accomplished) but on all accounts.

No Relief Splurge

It follows, certainly, from this decision that the desires of the provinces for greater financial assistance from Ottawa will be turned down and that provincial pleadings for a grand public works programme to re-employ the workless will fall upon deaf ears.

The agenda for the conference will not be issued until the last moment. Officially this hesitation is explained by delays in obtaining instructions from some of the provincial governments. Unofficially, however, it is understood that authorities are not desirous of broadcasting the programme in advance for fear pressure will be brought to bear upon any policies to be considered and thus tend to check a free discussion.

On The Agenda

Major items on the agenda will be unemployment relief, debt and the constitution. With regard to the first two subjects, the foregoing summary of Ottawa opinion gives a clear lead to the probable outcome.

It would appear that this decision to buttress national credit is final and evidence accumulates to indicate that it has been fully discussed and approved by the cabinet.

Where this central policy is not concerned every effort will be made to accommodate the provinces. There is no animosity toward any of them. On the contrary they are recognized as valuable political allies.

At the same time, it is thought essential to the stability and recovery of Canada that the national credit should be set apart as untouchable, and should be strengthened in every conceivable manner.

Trade Versus Relief

Requests from the provinces for more generous treatment on relief expenditures will be met, in part, by a suggestion that relief rolls be scrutinized very carefully and wastage eliminated.

More than that, the provinces will be informed as to the steady improvement of business. If the monthly grants inaugurated by the Bennett government last spring are continued it is felt that this will, in itself, be equivalent to more generous treatment, inasmuch as the number of unemployed is decreasing.

The government's recipe for solving the unemployment problem is definitely not by public expenditures or by new deals to be brought about by enactment of statutes. It lies in the expansion of trade and on this score the United States agreement is but the first move.

Debt Problem

With respect to debt, the government realizes that long-range policies must be devised. Pending such policies the Bennett policy of supporting the provinces where necessary, will be and is being continued. On this point, there is a tendency to revive the talk of a loan council, advocated some years ago by Hon. J. L. Ralston, then financial critic of the Liberal party. But just how a loan council will be fashioned or applied is not known. It appears

(Continued on page 2 col. 6)

Aberhart Will Pay Or "Die in Attempt"

From Our Own Correspondent

EDMONTON. — Premier Aberhart, head of Alberta's Social Credit government, is enthusiastic as ever in his efforts to pay the promised $25 a month dividend.

Asked when payments would commence, he said: "Just as soon as we can pay them.

"Because payment has been delayed for 18 months from the time we took office doesn't indicate that we are not going through with it.

"Make no mistake. We'll give the people of Alberta social credit dividends or we'll die in the attempt."

AUTO PRICES OFF $16-$24 AFTER PACT

Lower Priced Cars Would Have Cost More Than in 1935 Otherwise

IMPORTERS UNDECIDED

Purchasers of 1936 cars in Canada will save on the average from $16 to $24 per car by reason of new prices announced last week by leading Canadian manufacturers following publication of terms of the U.S.-Canada trade agreement. The figures are revealed following a survey by The Financial Post of "delivered" prices, before and after, in the Toronto area.

Actual reductions from "nominal" prices announced previously on 1936 models range from $10 to $35. These cuts do not include imported cars whose new prices had not been announced as at time of going to press.

The prices are all for the one standard model (5-passenger sedan). Prices on other models may vary more widely.

1935 Prices Lower

For comparative purposes The Post has also tabulated prices of leading makes on their 1935 models. The interesting fact emerges that if it had not been for the reciprocity pact, average prices on low priced cars (those at or below the $1,000 mark, delivered at Toronto) would have been this year about $34 higher than last year. Now, with the new price cuts in force the increase over 1935 prices is only about $18 — on average.

Bulk of the increase in prices is attributable to the Standard Chevrolet model which even after last week's reduction is about $50 higher than the 1935 model. The 1936 car, however, is considerably changed from its 1935 predecessor and more closely approximates the higher priced "Master." It is a bigger, better car.

For cars selling between the $1,000 and $1,500 brackets in Toronto, prices as previously announced for 1936 would have been on the average about $10 lower this year. With the new cuts in force, the 1936 models are about $34 cheaper.

Comparative Car Prices Delivered at Toronto (5-Pass. Sedan)

Make of Car	1935 Price $	—1936 Prices— Before U. S. Pact $	Price Now $
Pontiac Six	1,081	1,189	1,163
Pontiac Eight	1,304	1,260	1,226
Oldsmobile Six	1,220	1,233	1,213
Oldsmobile Eight	1,505	1,484	1,453
Chevrolet	853	913	903
Master Chevrolet	1,024	1,041	1,031
McLaughlin-Buick 44-19		1,440	1,423
McLaughlin-Buick 44-99		1,466	1,440
Dodge D-3		972	962
Dodge D-4	1,059	1,059	1,044
Dodge D-2	1,157	1,167	1,152
De Soto S-1		1,337	1,322
Ford	885	890	865
Chrysler Six	1,342	1,342	1,327
Chrysler Eight	1,565	1,565	1,548
Plymouth Six P-2	1,029	1,044	1,029
Plymouth Six P-1	957	957	947
Terraplane "61"		1,011	1,001
Terraplane "62"		1,102	1,092
Hudson Six "63"		1,201	1,186
Hudson Eight "66"		1,330	1,315
Hudson Eight "67"		1,497	1,482
Studebaker (Dictator)	....	1,215	1,192

Gefaell Obtains Contracts Great Lakes Deal Ready

John E. Gefaell has obtained signatures to the necessary newsprint tonnage contracts to fulfill the requirements of the Gefaell-Aldrich deal for assets of Great Lakes Paper Co., The Financial Post is informed. This means that the contracts and the approval of the deal by bondholders can now be presented to the Supreme Court of Ontario for consideration. This must be done within 10 days.

Louis L. Lang, dissenting member of the bondholders' committee, has sent a letter to Great Lakes bondholders urging those that disapprove the Gefaell-Aldrich deal to rush their expressions of opposition to him. He will oppose the scheme and will ask the court to call a new meeting of bondholders to reconsider the offer of the newsprint industry for the assets. The newsprint industry's offer has been revised in the features to which bondholders formerly objected. The gist of the letter was reported in The Financial Post last week.

There are conflicting reports regarding the stand that some large, but wavering, bondholders will take on the Gefaell-Aldrich deal in court. The Post is informed that some have been persuaded to oppose it. Other reliable reports, however, indicate that opposition of large holders will be confined largely to the block of bonds represented by Mr. Lang. This will be well over $1 million of bonds. Bonds favoring the deal will be nearly $5 millions, it is understood.

ABERHART AXE CUTTING COSTS OF GOVERNMENT

Staff Reductions, Reorganizations, Pave Way For Dividends

SEEK NEW INDUSTRIES

Alberta Still Free From Radical Legislation; Premier Follows Established Forms

By T. B. WINDROSS

EDMONTON.—People who expected the Alberta Social Credit government to jump with both feet into revolutionary activity, in a quick establishment of a new economic system, are expressing mild surprise over the course the administration has followed under Premier Aberhart's guidance.

There have been no radical steps taken, no upheavals or topplings of established orders yet, The path followed has been entirely devoid of any sensational features.

The words that have been outstanding in the government's programme to date are, economy, consolidation, and reorganization. They have only been applied to the existing departments of the service without changing their form or methods.

Not a single social credit formula has been placed on the province's statutes by order-in-council or any other means.

Follow Predecessors

Those familiar with former administrations have been unable to find any difference between them and the present one, excepting for the measure of the social credit government's efforts to clear the civil service of unwieldy overhead costs and duplication of labor.

Not since the creation of the province in 1905 has Alberta had an administration that has so obviously attempted to provide efficient government in so short a time. That is the outstanding record of the new social credit administration under Premier Aberhart.

Criticism Fair

For the first three months of its life there has been criticism of its actions in connection with its consolidation plans. But the criticism has been subdued and there has been in most quarters a genuine effort made to give the cabinet a fair field.

The government came into office early in September and in that time more work has been done in the direction of eliminating costly overhead, and unnecessary overlapping in the civil service departments, than any government has attempted so far in the political history of the province.

Must Balance Budget

The chief object, the premier has pointed out, has been to find ways and means of balancing the budget. This will give the province a better claim on the consideration of the Dominion in its request for financial aid as well as to improve its credit outside the provincial borders.

Salaries of higher-up officials, which were out of proportion to salaries paid to other employees of the government, have been cut, but not drastically. Work in various branches has been doubled up.

Rules against loafing, loitering and leaving work before the hour strikes

(Continued on page 2 col. 5)

MOVIE THEATRES CHARGE PATRONS LESS ADMISSION

Pass on Reduction in Ontario Tax—Higher Rates Reduce Attendance

Advertisements in Toronto indicate that Famous Players Canadian Corp., Loew's, Shea's and some other companies are passing on to patrons the recent reductions in Ontario amusement taxes.

Tax on 25-cent Admission

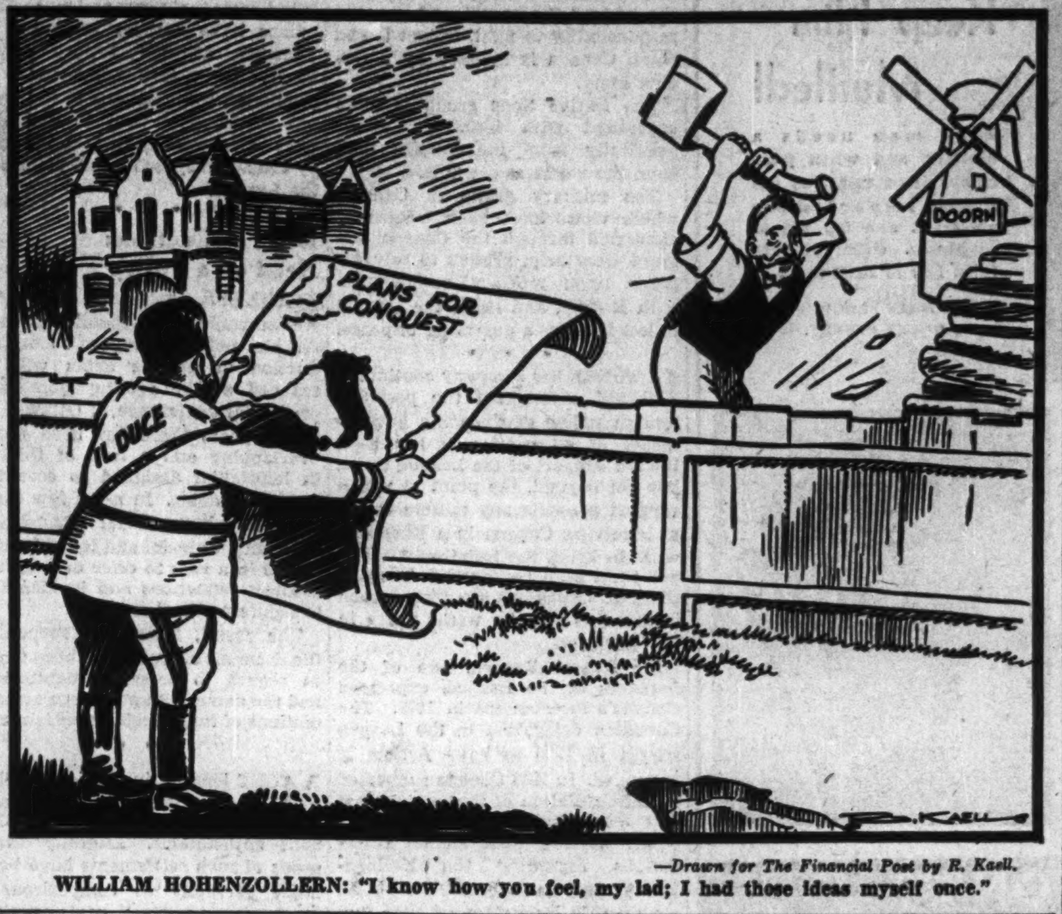
The theatre companies were not successful in securing the removal of the tax from the 25 cent admissions. In such cases the theatre-goer will pay 27 cents. Where the Uptown and Imperial theatres get 32 cents the theatre-goer pays 3 cents or 35 cents in all. That looks like an absorption by the theatres of the tax. Other theatres charge 38 cents including the tax. Admissions at 50 cents include the 5 cents tax.

Affects Attendance

Questionnaires of movie frequenters in London, England, prove that the price has a strong influence on attendance. Only 17 per cent of admissions are for young people below 21 years when they are not earning. Of total admissions 60 per cent are for earners between 21 and 45 years. In later years attendance drops sharply. Less than one per cent of unemployed were found to be attending.

Of those who did go some went once a week, some twice a week, some three times, some four times a week and 153 people out of 10,000 questioned reported that they went to movies daily. The importance of active business and a high percentage of employment on frequency of attendance becomes evident.

A higher tax would reduce the frequency of attendance more than the amount of the tax would seem to justify. That experience has been duplicated by the movie companies in Ontario until the recent tax reduction.



—Drawn for The Financial Post by R. Kaell.

WILLIAM HOHENZOLLERN: "I know how you feel, my lad; I had those ideas myself once."

'PEG ELECTRIC PREF. SHARES VOTE MERGER

Success of Plan Now Assured — Interest on 5's Resumed

WANTS CITY PACT

Meeting of preferred shareholders of Winnipeg Electric Co. at Winnipeg on December 3 voted so strongly in favor of the reorganization plan that optimism is now high that the plan will be made effective in the spring of 1936.

All legal formalities, which must precede the final consolidation, will be rushed through as quickly as possible after the general meeting of preferred and common shareholders has taken place on December 23. At that meeting a favorable vote is expected, the preferred vote being taken as an indication.

Small Opposition

Those preferred shareholders voting in favor of reorganization plan were 1,935 shareholders with 24,884 shares and those against 56 shareholders holding 737 shares. The opposition threatened some time ago did not develop.

The common shareholders are expected to take the same view as the preferred shareholders that failure of the plan would shove them out into the cold with little or nothing to show for their investment.

Seeks Harmony

Edward Anderson, K.C., president of the company, last week made a move toward achieving harmony in relations between the company and Winnipeg city hydro.

He suggested that company and city hydro utilize to "the fullest practical extent" existing generating and transmitting facilities of city Hydro and of the company before either spends money for more generating units. His plan is that both would pledge themselves to place their surplus at the disposal of the other at need at rates which would be mutually satisfactory.

To Pay Bond Interest

From Our Own Correspondent

MONTREAL.—Winnipeg Electric Co. has informed holders of the first refunding mortgage thirty-year 5 per cent bonds, which matured January 1, 1935, that interest will be paid for the period from July 1, 1935, to January 1, 1936, subject to compliance with the following requirements:

In order to receive a cheque in payment of the interest (no coupon being attached to the bonds for the said period, the bonds having matured) bondholders are required to submit their bonds to the trustee for endorsement with the notation of such payment and registration, if not already registered.

New Building Falls Behind In November

New construction contracts awarded in November fell 20 per cent short of the same figure a year ago, according to MacLean Building Report figures. Lack of any important contracts was largely responsible. Most of the activity was small contracts in Ontario. The total is the smallest November figure in more than a decade.

Other weekly figures include:

		—Change— From Prev. Period %	From Prev. Year %
Monthly:	October		
Cattle sales.....No.	122,298	+20	+13
Hog sales.......No.	74,847	+49	—11
Coal imports...tons	1,314,128	—8	—15
C.P.R. net earn....	4,249,343	+29	+3
C.N.R. net earn...	3,630,135	+58	+29
	November		
Construction contracts	8,280,800	—44	—20
Weekly:			
Car loadings...No.	48,983	+0.6	+3
Cattle sales....No.	22,671	+2	+36

Highlights

Western Bonds

Current high yields on western provincial issues attract investment attention with improving western conditions. Page 3

Tipster Sheets

Newer methods of separating unwary speculator from his money are developed in the guise of "Investment Journal" advice. Page 20

Labor Code Loopholes

Restraint of trade is seen among the operating results of "code" statutes in Ontario and Quebec. Page 10

Ontario's Minerals

Production of about $9 millions in structural materials contributes to results of boom year in mining. Page 18

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Assoc. Brew.	4	Imperial Bank	15
Brewing Corp.	14	Int. Paints	14
Bank of Canada	15	Imperial Oil	4
C. P. R.	10	Int. Hydro-El.	14
Can. Rail & H.	9	Int. P. & P.	14
Can. Wire	9	Laura Secord	4
Can. G. Inv.	9	Loblaw	4
Can. Dredge	4	Loew's London	8
Can. Car	4, 14	Morrison Brass	9
Can. Inv. Fund	9	Mersey Paper	9
Can. Paperboard	9	Maple L. Gdns.	9
Can. Biscuit	4	McCormick's	4
City Gas, London	2	Mutual of Iowa	15
Canada Dry	2	Montreal Life	12
Cent'l. Finance	15	Manuf. Life	12
Confed. Life Ins.	12	Nat. Light	4
Can. Hydro	14	Nat. Steel	4
Can. Car	14	Nat. Grocers	4
Can. Wirebound	5	Nfld. Pwr.	5
Dom. Stores	5, 8	N. W. Mutual	15
Dist.-Seagrams	2, 4	New York Life	12
Dom. Stores	5	Ont. Equit. Life	12
Dom. Glass	14	Pressed Metals	4
Dist.-Seagram	4	Power Corp.	10
Dryden Paper	14	Rogers-Maj.	9
Dom. Foundries	9	Royal Bank	15
Dom. Coal	9	Riverside Silk	5
Eastern Dairies	1	S. Can. Pwr.	14
Federal Fire Ins.	15	Sherbrooke Tr.	4
Firstbrook Box	5	Sherwin-Wms.	14
Ford of Can.	20	Trust & Loan Co.	5
Gt. Lakes P.	1	United Fuel	8
Howard Smith	2	Woods Mfg.	3
I. C. W. Bakeries	9	Wpg. Elect.	1
Int. Petroleum	9		

MINES AND OILS

Algold Mines	18	Goldale M.	19
Amtfield G. M.	18	Int. Nickel	18
B. C. Nickel	19	Jowsey Is. G.	19
Broatch M.	19	*Lacoma G. M.	19
Coniaurum M.	19	La Roche M.	19
Centaur M. Co.	19	Leader Gold	19
Can. Kirkland	19	Meridian M.	19
Can. Malartic	19	Monarch M.	19
Cent. Patricia	19	Noranda	19
Cons. Smelters	18	North Star Oil	19
Can. Rand	19	Noranda	2
Cariboo G. Qtz.	19	Pickle Crow	19
Can. Radium	19	Pamour Porc.	19
Gains-Moor Syn.	19	Robb-Montbray	18
Darkwater Mines	18	Reward M.	19
Dom. Porcupine	19	Slave Lake Gld	19
El Callow M. Co.	19	San Antonio	19
El Callao M. Co.	19	Thomson Riv. Dr.	19
Excello M.	19	Wendigo Gold	19
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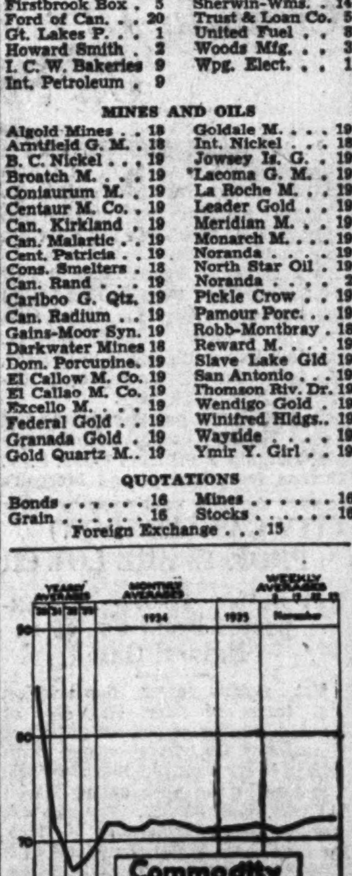


Wholesale commodity prices were unchanged at 72.9 in the week ended Nov. 29, according to the index compiled by the Dominion Bureau of Statistics.

JAP-CANADIAN TARIFF DISPUTE NEARING AN END

Compromise is Reached With Canadian Concessions

SURTAXES DROPPED

From Our Own Correspondent

OTTAWA.—The tariff war between Canada and Japan will be terminated within a few days, it was learned in cabinet circles.

Negotiations between the two governments have now proceeded to the point where only minor details remain to be disposed of.

The exact nature of the settlement is being held a closely guarded secret. It is known, however, that the settlement is a compromise between the position taken by the Bennett government and that taken in the earlier negotiations by the Japanese government.

Surtaxes to Go

It follows from the settlement that the surtaxes which now cripple Japanese-Canadian trade will be removed in toto.

As to the rest of the settlement, many stories are in circulation and none can be confirmed. One of the most common of these is that Canada will withdraw the currency dump on all goods of a class or kind not made in the Dominion and will base valuations on the current value of the yen where they apply to natural products of Japan not produced in this country.

This, it is learned, is substantially the basis of settlement advanced by the Bennett government.

Substantial Concessions

The announcement will reveal, it is believed, that the new government has given Japan substantial concessions in addition to the points mentioned. Unofficial, but entirely reliable information is to the effect that both sides have agreed to compromise and the agreement will be about a fifty-fifty proposition.

Currency Dump Blamed

The trouble arose out of the currency dump duty imposed against Japan.

The yen was worth 49 cents under the old gold standard but has been inflated until it is now quoted at but 28 cents. The currency dump originally continued the gold standard valuation but on July 20 the Bennett government made an adjustment in favor of Japan from 49 to 41.5 cents.

The present dump, therefore, is 13 cents on the current value of 28 cents, or a super-tariff of some 43 per cent on Japanese goods. It would occasion no surprise if this were cut in two.

Rubber Goods Important

As far as valuations are concerned, the one which chiefly interests Japan is the valuation on rubber goods. This order-in-council was not disturbed by the United States-Canada trade agreement but will be governed by the amendments to the customs act outlined in the agreement correspondence.

The government will retain the right to impose valuations but it will be hedged about by conditions. Actual injury to Canadian manufacturers will have to be proved and the tariff commission will be the judge both as to the injury and the amount of special tariff necessary to escape it.

Construed in the light of government policy, therefore, it would appear likely that the order-in-council valuations which now vex Japan will be retained but will go for review before the tariff commission where all sides will have full opportunity to present the facts.

Port Arthur Invites Tenders

Port Arthur is inviting tenders up to 5 p.m. Dec. 9 for $79,000 of 4½ per cent sinking fund debentures, due 1950. Legal opinion approving validity of the debentures has been given by Long & Daly, Toronto.

SUIT AGAINST EAST. DAIRIES BEING PUSHED

Crescent Creamery Preferred Shareholders Prepare Case

CLAIM $966,667

Winnipeg Group Claim Holding Company Drew on Subsidiary, Harming Preferred Dividends

By STAFF WRITER

WINNIPEG.—Active steps are being taken here to push the suit against Crescent Creamery Co. of Winnipeg and Eastern Dairies of Montreal which was instituted last summer.

Claims total close to a million dollars and are made on behalf of a group of preferred shareholders of Crescent Creamery, a leading dairy company of this city. Action commenced late last summer and for a few weeks shortly afterwards there was some prospect of a settlement out of court.

Held Meeting

It is understood that representatives of Eastern Dairies of Montreal came to Winnipeg to meet representatives of the claimants but no understanding was reached. It is now believed that any prospect of such a settlement is diminishing and the likelihood grows of the case coming before the courts within the next four or five weeks.

Big Backing

The suit has been entered in the Court of King's Bench here on behalf of Herbert Sellers, C. C. Wardrope and "all other owners of preferred shares" of Crescent Creameries. While only two actual shareholders are specifically named as plaintiffs, The Financial Post understands that a group of preferred shareholders in this district representing a very large block of shares have signified approval. It is also understood that only a substantial outside settlement would be considered and that the suit is by no means to be considered of a "nuisance" nature.

One of the leading legal firms of Winnipeg — Tupper, Hamilton, Adams, McDonald and Campbell— has been retained by the claimants,

Ask $966,667

Repayment of amounts stated to total $966,667, is asked. The allegation is made that sums of this amount, between August, 1927, and March, 1935, were taken from Crescent Creamery Co. and paid to Eastern Dairies. It is stated that part of this sum became available to Eastern Dairies as dividends on its common shares when at the same time there were no funds available to pay dividends to Crescent Creamery Co. preferred shareholders.

The Post is informed that until dividends ceased on Crescent Creamery preferred shares in April 1934 no action was possible. Shareholders, it is stated, made repeated requests for information but not until a meeting of Crescent Creamery shareholders was called in Winnipeg last July were they in a position to seek the information they desired. On that occasion, however, answers to questions were not considered satisfactory. Immediately after the meeting here the legal action was instituted.

Several Defendants

Named with Crescent Creamery Co. as joint defendants is Eastern Dairies Ltd., which controls the creamery firm through ownership of all the 50,000 common shares. Also named as defendants are: W. R. Aird, president of Eastern Dairies Ltd.; A. J. Nesbitt, of Nesbitt, Thomson & Co., which financed Eastern Dairies; E. W. King, secretary-treasurer of Eastern Dairies Ltd. All are Montreal men. Frank J. Donegani, Winnipeg, is also named as a defendant. He was a director of Crescent Creamery Co. until early this year.

There is $1,000,000 of seven per cent preferred stock of Crescent Creamery Co. outstanding. Dividends were paid regularly to April 15, 1933, since which time only $1 a share has been paid. Since the balance sheet and earnings statement are now consolidated in those of Eastern Dairies Ltd., a holding company, for large dairy companies at Winnipeg, Toronto, Ottawa and Montreal there is little public knowledge of just how the Winnipeg subsidiary has been doing,

Acme Farmers Position

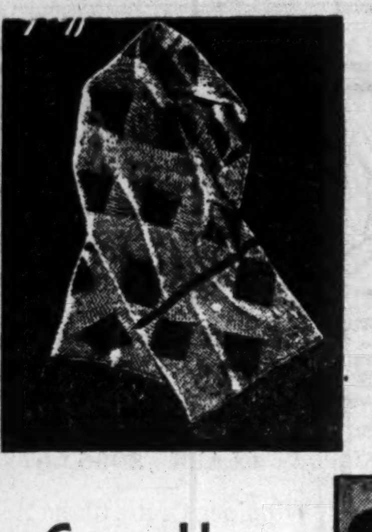
The situation of holders of preferred stock of Acme Farmers Dairy Co., Toronto, subsidiary of Eastern Dairies, is similar to that of shareholders of Crescent Creamery in that dividends are not being paid. Also shareholders have not had a separate statement for Acme Farmers Dairy. Dividends on the old Farmers Dairy preferred stock were last paid Feb. 10, 1933.

As yet there has been no outward indication of any action similar to that taken by preferred stockholders of Crescent Creamery.

London Life Increases Non-participating Rates

London Life Insurance Co. will bring into force on Jan. 1, 1936, a new and higher scale of premium rates on non-participating policies according to an item in this week's agency bulletin.

The company informs The Post that no details of the change will be available for several days.



MAY WE SUGGEST......

Keep Him Muffled!

Every man needs a muffler, and when your choice is as smart as the French import shown above at 5.00 it's bound to please. Other scarves from 1.00 to 10.00 each.

MAIN FLOOR, QUEEN STREET.

Cover Up...

his hands if he is going to be driving or working out of doors these chilly days. Backed with fur (processed lamb). Gloves like these will warm his heart as well as his hands. Palms of Spanish capeskin (sheepskin). The pair, $4.50. Sizes 7¼ to 10. Other gloves at EATON'S from $2.25 to $5.00 the pair.

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THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page 1)

collective security as a substitute for war.

* * *

THERE is a strong isolationist group in Canada. Again it might more accurately be said that there are several such groups with different views. French-Canada, esteeming most highly the virtues of peaceful, comfortable living, desires only to be left out of the troubles of the rest of the world and sees no responsibility to fight, except if and when Canada is invaded by a foreign army.

The Native Sons group is more concerned with isolating Canada politically from the Empire than from the world as a whole.

The military group in Canada, whose views have been frequently expressed through the Canada Defence Quarterly, prefers to rely for peace upon military co-operation with Britain, and holds the League in low favor as a guarantor of peace.

* * *

IF THERE has been any continuing thread throughout the post-war foreign policy of Canadian governments of all parties, it has been toward support of the League up to, but not beyond, the point at which support presents any remote threat of involving Canada in a European war. In brief, the isolationist viewpoint has been paramount. The one thing all Canadians are agreed upon is that this country wants peace in the world.

Sir Robert Borden, one of the founders of the League, expressed Canada's reservations in 1919. The Canadian delegation to the League sought in 1920 to have Article X rescinded. In 1923 Canada supported an interpretation of that article that was more favorable to our viewpoint. Canada made similar reservations regarding the Kellogg-Briand pact in 1928. In the recent election Mr. Bennett went even further than Mr. King in undertaking to keep Canada out of war.

Someone—and we know who it was—induced Dr. Riddell to go further than any previous Canadian representative at the League has dared to go in involving Canada in what might be interpreted in certain quarters as making Canada's support of collective security through quasi-military force a positive and concrete thing. Mr. Lapointe has merely reiterated Canada's more or less isolationist point of view.

* * *

IT IS difficult to read any change of policy in Mr. Lapointe's statement. The situation remains where it was before; Canada is for the League and collective security up to a point and has not yet decided whether it should go beyond that point. With such profound disagreement on principles apparent in Canada there is no promise of any early change in Canada's official attitude. There cannot be because Canada's first job is to remain a united nation and its foreign attitude must reckon with opposed viewpoints at home.

The controversy that has broken out in Canada is a sign of growing Canadian interest in world affairs. It indicates that more and more Canadians have become interested in Canada's attitude toward world peace. There is a wider range of intelligent contributions to the present controversy than to any that have been precipitated in the past by Canadian speeches and actions at the League.

* * *

Debt Reduction: Need of a Policy

BANKERS, insurance and loan companies are hopeful that some definite policy in regard to the reduction of private debts will be reached at the coming Dominion-provincial conference at Ottawa. In recent years there has been much overlapping and a lack of finality in legislation designed to ease the burden of debts. In not a few cases there has been actual competition between provincial and federal authorities in a race to offer debtors the greatest reductions and incidentally to secure political support.

The result, instead of reopening the channels of credit, has been chaos in regard to present indebtedness and the damming up of large accumulations of funds seeking investment.

* * *

MOST lending institutions during the depression have been generally anxious to make equitable debt adjustments. Literally thousands of such settlements have been made privately in comparison to hundreds as a result of legislation. But this good work has often been undone by new and revolutionary schemes of the various governments or by administration of legitimate debt adjustment legislation by officials chosen because of political rather than business background.

* * *

SETTLEMENTS have been made under one government scheme only to have to be remade under another a few weeks later. Moreover, this sort of legislation, as an emergency measure only, has in more recent months been regarded as a permanent policy.

Not knowing how long governments propose to tamper with contractual obligations nor even how many times the same contract is to be altered, is it any wonder that capital is fighting shy of investing in mortgages although idle money is accumulating?

Howard Smith

Directors Put Forward Plan to Clean Up Arrears of Dividends on Preferred Stock

From Our Own Correspondent

MONTREAL.—Directors of Howard Smith Paper Mills have submitted a plan to the holders of the preferred stock which is designed to clean up the arrears of dividends and the placing of the preferred on a regular dividend basis.

In satisfaction of claims to present arrears and to dividends up to and including March 31, 1936, the company proposes to make the following distribution: one-eighth share of preferred stock; one share of common stock; and cash payment of $2 for each share of preferred stock held.

The additional preferred shares to be issued under this plan will be cumulative as to dividends from the beginning of the first quarter following the issue of supplementary letters patent confirming the compromise or arrangement.

Clean Up Arrears

Up to the end of the first quarter, 1936, the preferred stock of Howard Smith will be in arrears to the extent of $30.50 a share.

In order to wipe out this contingent liability the company would give one-eighth of a share of preferred stock, which would have a par value of $12.50 and one share of common stock which has a market value of around $12, making a total of $24.50. In addition, of course, the holder would receive a cash payment of $2 for each share, which represents in part the dividend accrued up to the end of the first quarter.

Increase in Capital

In the event of this proposal being approved, the issued amount of preferred stock will increase from $4,500,000 to $5,062,500, an increase of $562,500. The outstanding common stock would be increased from 220,000 to 265,000 shares.

It is pointed out that while the plan does not provide for a dollar for dollar return on dividend arrears to the preferred shareholder, the common shareholders are making a sacrifice in order to clean up this contingent liability by agreeing to the dilution of the common stock equity through the increase in the number of shares.

Canada Dry Makes Good On Spirits Enterprise

R. W. Moore, president, Canada Dry Ginger Ale, states in an article in the Journal of Commerce that the company's liquor business has not only paid its way from the start but has made a profit.

The company began early in 1934 by adding four items to its lines of merchandise: Canada Dry Gin, Johnny Walker's Scotch Whisky, Cinzano Vermouth and Hufel's Beer, the latter for the metropolitan district of New York only.

In recent months the company has added Nuyen's cordials, Holloway's gin, Daiquin Rum from Cuba, S. V. Cognac from France and Morgan's sherries and ports from Spain and Portugal.

The sales force of the company has been enlarged only about 15 per cent by reason of adding the sale of alcohol and beverages to its business. There have been changes in distribution methods and only 20 per cent of the old jobbers could be used for liquor sales. The company has found the offices and warehouses already established for the selling of carbonated beverages suitable for the new business. It keeps the two lines of business separate and in advertising one group does not refer to the other.

CITY GAS (LONDON) PROFITS ARE LOWER

But Better Results Are Expected From Use of Natural Gas

Net profits after depreciation and taxes of City Gas Co. of London, wholly owned subsidiary of Union Gas Co., were earned from 1925 in every year but 1934 and 1935. The loss in the year ended March 31, 1935, was $60,330. For the six months ended September 30, 1935, the profit was $1,006 compared with $10,901 for the same period of 1934. The management is confident that combined profits of Union Gas Co. and City Gas Co. will be much greater as a result of using natural gas from October 1.

Stone & Webster say that City Gas Co. properties are worth $2.9 millions on a reproduction basis, less depreciation.

Union Gas Co. values its 20,000 shares of $20 each of City Gas Co. of London at cost, less reserve, at $1.8 millions. It has also advanced $403,644 to the company. That will make a total investment of $2.3 millions. Total assets of $2.3 millions include $1.8 millions depreciated value of fixed assets. Bonds and mortgages were $367,000 on September 30 and accounts payable $125,659.

Issue Analysis Of Noranda Mines

A brief, comprehensive analysis of Noranda Mines, one of Canada's largest mining enterprises, has been issued by Seagram Harris & Bricker, Canadian investment house. In the analysis, the conclusion is reached that the future of this copper-gold producer is particularly bright, and that with a yield of 4.44 per cent, on the basis of $2 annual dividend, current prices are attractive.

The analysis deals with the various subsidiary operations of this company, as well as the primary Rouyn mining operation.

Distillers

Directors Will Consider Dividend — Plants in United States Active

From Our Own Correspondent

MONTREAL.—Consideration will be given at an early date to the subject of dividends on the capital stock of Distillers Corp.—Seagrams, according to a statement made by Sam Bronfman, president, at the annual meeting of shareholders.

Meanwhile arrangements have been made by the company to list the stock on the New York Stock Exchange. Concurrently the shares of the company have been listed on the "Big Board" of the Toronto Stock Exchange and the Montreal Stock Exchange.

Consumer Demand Good

In surveying activities of the company, the president said in part:

"The consumer demand for bottled in bond and blended whiskies in the United States continues at a very high level.

"The business of our Maryland subsidiary, conducted under the name of Calvert, which was in the early stage of development at the date of our last report, has been making steady progress during the year and the demand for Calvert products has, during recent months, shown a marked increase.

"During the year under review the Kessler Distilling Co. was incorporated as a wholly owned subsidiary. The Kessler brands are being placed on the market through this new subsidiary.

"Your Canadian subsidiaries are obtaining a considerable share of the business in Canada and sales of your company's products in that market show a considerable increase over the previous year.

Trade Treaty Helps

"Under the recently completed trade agreement between United States and Canada the import duty into the United States on aged whiskies has been cut by 50 per cent, being reduced from $5 to $2.50 a gallon, effective January 1 next. The full benefit of this reduction will be passed on to the consumer in the American market.

"During the year the company's distilling plants in Maryland and Indiana have been operating at full capacity. It has been necessary to make considerable additions to these plants during the year in order to provide for the laying down of the large maturing stocks and increased bottling facilities had to be provided at both distilleries.

"In order to round out and consolidate our position in the American market, we propose to erect a modern distilling plant at Louisville, Kentucky, for the production of Kentucky Bourbon whiskies."

ABERHART AXE CUTTING COSTS OF GOVERNMENT

(Continued from page 1)

for quitting have been enforced. Some departments whose work more or less duplicated that of others have been abolished and others have been merged with those where the work could be done more cheaply and efficiently.

Staffs Reduced

This has meant that some heads of departments have been dismissed and replaced by other men at lower salaries, and some positions have been abolished. All sinecures have been "cut out."

The overwhelming majority of which the government is assured in the legislature when it meets, on February 6, has been a factor in giving the necessary courage to carry out these reforms.

Trade Department Active

The trade and industry department, whch was created by the last U.F.A. government, but which had not functioned to any marked extent up to the time of the election, has taken a leading place in the scheme of the new government.

This department was early merged with that of the provincial secretary, under the control of Hon. Ernest Manning, Mr. Aberhart's chief lieutenant.

No Social Credit Moves

No steps have been taken yet to implement any of the outstanding promises made during the election regarding social credit.

"That phase of the government's plans will be attended to at the proper time," Premier Aberhart told the writer.

Explaining the government's present activities, the premier points out that it is necessary first of all to "clear the way for Social Credit."

His viewpoint is that it is waste of time to "build the new structure on a crumbling and faulty foundation." "The new system must not be hampered by any hangover from the old one," he told his interviewer.

Daily Cabinet Meeting

In setting about its job of straightening out the financial problems of the province first, the government has been making a close study of the financial structure at daily cabinet meetings ever since coming into office

In order to arrive at the exact data the government has engaged the services of Robert J. Magor, Montreal actuary and engineer, whose work in advising the Newfoundland government in its difficulties has won wide recognition.

Not Concerned With Social Credit

Mr. Magor's work will have nothing whatever to do with Social Credit, but solely with the solving of present administrative and financial problems confronting the administration.

In his first interim report to Premier Aberhart, Mr. Magor has indicated that his researches in the province's financial structure encourage him to think the budget can be balanced.

Major Douglas

Some confusion has arisen in the public mind, especially outside the province, as to the position of Major C. H. Douglas, the father of Social Credit, who is engaged as "reconstruction adviser," but who is still in London, England, and that of Mr. Magor. It may be explained that Major Douglas' work will commence where Mr. Magor's ends. Major Douglas will be in Edmonton about New Year, the premier stated this week.

Financial Plans

The financial plans of the government, made public a few days ago, include a proposal to be laid before the federal government at Ottawa next week, for the refunding of the province's public debt, amounting approximately to $155 millions, so as to gain a saving in interest payments of about $3 millions annually.

Included with this refunding plan for the province will be one to refund the debts of the two largest cities, Calgary and Edmonton, bringing the total amount to be refunded to about $200 millions.

Premier Aberhart will not ask for money to that amount but for assistance from the Dominion in the refunding, with some sort of guarantee for the province in its debt scheme.

To Ask Tax Collection

In addition the premier and his ministers at Ottawa plan to ask the Dominion to take over the collection of the provincial income tax through the federal income tax collection department and, after deducting the cost of collection, place the amount collected to the credit of the province against its indebtedness to the Dominion, amounting to about $2 millions. This would save some $60,000 annually.

Department Changed

Among the changes carried out in the reorganization of government departments the provincial assessment department has been merged with the public utilities board. That branch has been changed from a two-member commission to a one-man board under supervision of the deputy provincial secretary. Chairmanship of the Workmen's Compensation board has been given to a medical man. The provincial insurance branch has been merged with the office of the provincial secretary, with the provincial secretary's deputy as insurance commissioner.

Seek New Industries

The government is planning to advance the province's industries and bring in new ones, especially in connection with the development of natural resources.

Hon. C. C. Ross, minister of lands and mines, while in the east attending the Dominion-provincial conference at Ottawa, will try to interest capital in the development of the vast salt deposits near Fort McMurray, it was stated by his department.

BUDGET BALANCING WILL COME BEFORE PROVINCIAL LOANS

(Continued from page 1)

likely the provinces would be invited to co-operate in working out this idea.

Constitution

Constitutional questions will be discussed only in an abstract way. The new deal references to the supreme court will not come up for argument until mid-January and decisions cannot be looked for until February, at the earliest.

Obviously, constitutional revision will have to await the judgment of the court, which suggests a further conference between the Dominion and the provinces to take place next spring.

First of Many

On all counts, it appears that the impending conference will be but the first of many. And it is understood that the Dominion government will seek to prepare the way for later meetings by having continuing sub-committees appointed to deal with the major matters under discussion. One such sub-committee will deal with debt, another with unemployment relief and so on.

Debt Legislation

BY STAFF WRITER

WINNIPEG.—Among other matters, western mortgage companies, banks, implement companies and other institutions interested in loans to agriculturists are hopeful that some action will be taken by the conference in regard to debt reduction legislation.

In recent years, officials of such companies inform The Post, a great many schemes have been adopted by both the provincial and federal authorities. Not only has there been much overlapping, it is contended, but sometimes actual competition has developed between the various governments.

Debt adjustments have been made under one piece of legislation only to be reopened and further adjusted under another. Some uniform law of definite duration is imperative if credit is to be restored and the flow of money into legitimate loans restored, it is stated.

Unusual Opportunity

The fact that all but one of the provincial governments is of the same political color as the party in power at Ottawa is regarded in some quarters as a situation offering an unparalleled opportunity for definite and collective action.

Some authorities, on the other hand, see some danger in the same situation where unwise, or short-sighted, action might be more readily sponsored than if opposition parties were represented.

Recently the Winnipeg Board of Trade strongly urged that the conference survey the whole field of debt adjustment legislation with the following objects in view:

1. To eliminate Provincial Debt Adjustment legislation and bring the whole subject matter within the provisions of the Dominion Bankruptcy Act with proper provision for inexpensive voluntary adjustment of farm debts under competent authorized trustees.
2. To bring about close co-operation with the Dominion Farm Loans Board to enable farmers in justifiable circumstances to obtain loans which will facilitate advantageous settlements with creditors at the time of compromise.
3. To make definite provision for the final termination of all debt adjustment legislation thereby reverting to normal contractual relationships and restoring credit and confidence.

B. C. Case Prepared

From Our Own Correspondent

VANCOUVER.—Armed with new data bearing on the financial relationship of British Columbia with the other provinces and the Dominion government, Premier Pattullo and several members of his cabinet are on their way to the inter-provincial conference. They hope to return with assurance of a new economic set-up for the west.

Apart from the old issues of freight rate discrimination, invasion of provincial taxation spheres by Ottawa, revision of the British North America Act and federal subsidies, the B. C. delegation will put forward another claim.

It is that the reason for this province's growing debt is that during the last four years the people of B. C. due to tariff protection policies, have bought $100 millions more goods than they have been able to sell.

Based on Research

The British Columbia argument is based largely on the research of Prof. W. A. Carrothers, head of the economic council appointed by Premier Pattullo shortly after his party took over the government two years ago.

Prof. Carrothers claims that in the four years for which his statistics were compiled British Columbia sold only 22 per cent of her exportable surplus to the other provinces of Canada, but bought three quarters of her required imports from the other provinces.

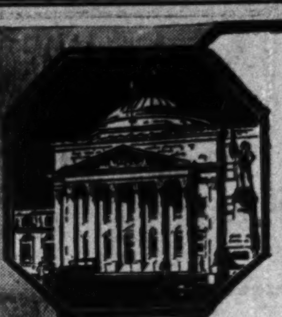
Obituary

Henry P. DePencier, first vice-president and general manager of Dome Mines Ltd., and one of the most prominent mining men of Canada, died in New York. He was born in Quebec in 1875 and had extensive mining experience in British Columbia, South Africa and the United States. He was actively associated with International Nickel Co. in 1913 and 1914.

Robert H. Lyman, long identified with mining in the Cobalt and Kirkland Lake areas died suddenly in Cobalt. He was a pioneer of Cobalt's mining development.

Walter George Knee, general manager of Canada Malting Co., Toronto, is dead. He was 56.

Thomas Mulvey, C.M.G., formerly under-secretary of state for Canada, and a recognized authority on Canadian company law, died suddenly in Ottawa at the age of 72. He retired from government service two years ago.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Western Provincial Bonds

Yields, Higher Than on Other Government Issues, Make Them Attractive; Manitoba Shows Way to Financial Recovery — Budgets are Unbalanced

Will They Go Higher?

With gilt-edged Dominion government bonds yielding well under four per cent, owners of accumulating money are continually looking around for more profitable sources of investment. But they want a wide margin of safety.

Inevitably in such a search western provincial bonds are encountered, and with their discovery a host of questions arise.

What of social credit, balanced budgets, tax collections, relief expenditures, crops, business and other points on which the security of such bonds depends? Why are Manitoba's quoted higher than some of the others? What of refunding?

In the accompanying articles western provincial bonds are appraised.

Despite the adversities suffered by the four western provinces in recent years, their bonds retain investment attractions among government securities, because of the relatively high yields available.

The higher yields on western provincial bonds are a natural reflection of the risks, in comparison with the lesser hazards of more highly esteemed government bonds.

Differences of Issues

Where middle and long term Dominion government bonds yield 3 to 3¾ per cent at present exalted prices, western provincials can be bought to return from 4 to 6 per cent. Yields as high as 4 per cent are rare on other provincial securities.

In considering western provincial bonds, the important thing for the investor is to determine:

First, whether they should be bought or held at all;

Second which are the most desirable issues;

Third, which province's bonds are the best to hold.

These are the problems discussed in this article.

Financial Problems

Financial problems peculiar to the western provinces account for the comparatively low prices of their bonds.

All four western provinces have unbalanced budgets, when relief expenditures are included. So too have the eastern provinces and the Dominion government. The chief difference is, however, that the western provinces have been unable to disguise their deficits by borrowing freely.

As a consequence of their financing difficulties, all four western provinces have incurred heavy debts to the Dominion. At June 30, 1935, their loans from Ottawa were:

Borrowings from Dominion Government	
Manitoba	$11,657,979
Saskatchewan	39,579,900
Alberta	17,553,750
British Columbia	17,364,235
Total	$86,155,864

Recently Alberta has borrowed over $3 millions more. British Columbia has also added to its debt to the federal government. Including other changes in the figures, the total of these debts has risen to nearly $100 millions.

Question for Investors

An important question for the holder or prospective purchaser of western provincial bonds is: Will these provinces be able to settle the debts and finance themselves without depending on the Ottawa treasury? The answer will involve recovery of income in western Canada and adjustment of provincial finances so as to bring revenue up or expenditures down, or both.

Recovery of Income

In the past two years, a good deal of income has been recovered in the west. In the three prairie provinces, for instance, agricultural income in the year ended July 31, 1935, is estimated by the W. Sanford Evans Statistical Service, at $197 millions compared with $160 millions in the preceding year. A recent estimate by the Winnipeg Free Press placed revenue of prairie farmers from 1935 grain crops at $241.4 millions compared with $223.1 millions in 1934. In the years 1931, 1932 and 1933, the average income from grain crops in the three prairie provinces was only $162.6 millions.

In British Columbia, nearly all major fields of production have enjoyed improved conditions in the past two years. Mining, forestry, fishing and agricultural industries have benefitted from higher production and increased values.

Benefit From Agreement

All four western provinces stand to enjoy some benefits from the new trade agreement with the United States. This should be of particular value to the livestock industry in the prairie provinces and to the lumber industry in British Columbia.

Latest calculations indicate that income of primary producers in the four western provinces should show an increase of 10 per cent or more from 1935 production compared with 1934.

Improved income of the past two years should allow the four provincial governments to collect more revenue. It ought also to allow them to materially reduce outlays for relief and unemployment. For instance in a large section of southern Saskatchewan where even potatoes had to be supplied from outside sources by the provincial authorities during the drought years, now the rural population is on a self sustaining basis and in addition had some surplus crop this fall. These improvements should lead at least toward balancing of budgets.

Dealing With Debt

If and when the western provincial budgets are brought toward a balance, it might be possible to refinance maturing bonds at reduced rates of interest. It might also be possible for the provinces to fund their debt to the Dominion at moderate rates. Such financing should make the budget-balancing problem easier.

The process envisioned in the foregoing is that of returning to the old order; in which the western governments financed themselves independently of the Dominion. It is based to an important degree on the doctrine of hope. Still, it is by no means an impossible development.

Refunding Possibility

Refunding of all bonds of the western provinces, with Dominion assistance has been suggested as a partial remedy of the financial problems of the four governments. One method by which the four provinces, co-operating with the Dominion might reduce their financial burdens is outlined in the following:

First, rising income enables the provinces to collect more revenue.

Second, ordinary expenses and outlays on unemployment relief may be reduced.

Third, the Dominion government might extend its guarantee, to enable the western provinces to fund and re-finance at least a part of their debts so as to cut interest charges materially.

Fourth, the provinces might pledge a portion of their revenues as security for the Dominion's guarantee.

What Scheme Involves

A plan of this character would only be of value, of course, if it were carefully plotted in advance, so that the desired end of balanced budgets, would actually be attained. If this were done, western provincial bonds might well improve in market value.

From the investor's viewpoint, the important consideration is that if the four provinces regain their former complete solvency, whether by refunding or by other means, it should strengthen the market value of their bonds. Something of this sort has already developed in Manitoba.

Low-coupon, Discount Bonds

Yields on low-coupon, discount bonds of the western provinces are below these on higher coupon issues. Despite the lower yields, the discount bonds of the provinces are in greatest favor. One reason is that any appreciation that may come in market values is expected to benefit the discount issues most. Another reason is that if any reduction is made in interest rates, the decrease in dollar income from the lower-coupon bonds would be least.

Even under normal conditions, bonds selling at a discount are in favor because income tax on capital appreciation is avoided. Bonds that are bought at a premium decline to par as maturity approaches.

For these reasons, straight four per cent bonds of the four provinces have special attractions.

Payment Clauses

In considering western provincial bonds, the investor should remember that payment clauses are of considerable value. A number of low-coupon bonds are payable in two or three currencies at the holder's option. In view of uncertainties of foreign exchange, issues payable in U. S. dollars or sterling as well as in Canadian dollars carry a slightly lower yield than other issues. It may be worth while to take a lower yield to get protection from exchange hazards.

Among western bonds, prominent issues carrying optional payment clauses are:

Province:		Issue	Approx. Price %	Yield %
•Manitoba	4%	1957	100	4.00
†Manitoba	5%	1959	110	4.33
†Br. Columbia	4½%	1951	99	4.59
•Br. Columbia	4½%	1953	98	4.67
•Saskatchewan	4½%	1951	95½	4.89
†Saskatchewan	4½%	1945	98½	4.70
•Alberta	4½%	1956	91	5.21
†Alberta	5%	1959	97½	5.18

•Payable U. S. or Can.
†Payable U. S., Can. or £.

This tabulation also shows the credit rating given at present by the bond market to the various provinces. The lower the yield, the higher the credit rating. So investment markets rate the provinces in the order in which they are arranged above.

Rehabilitation Possibilities

It appears that by one means or another it is possible for all four western provinces to get back to a basis of self-support. This could be accomplished by lowering relief costs, debt charges and administrative expenses; coupled with increase of revenue. On this ground, therefore, western bonds deserve careful consideration by the investor who wishes to hold a government security but also desires a reasonable yield.

The main fear of investors in western provincial bonds is that some provincial governments may have insufficient regard for their credit. That is, there have been apprehensions lest the "will to pay" were to weaken. These fears have been based largely on the agitation early this year by Mayor G. G. McGeer to cut interest on Vancouver bonds in half; and later by election of the Social Credit government in Alberta.

"Will to Pay"

While the fears cannot be called entirely "groundless," they may be ill-founded. The governments of all four provinces would like to improve their credit so that they can fund present debts at low rates. Even in Alberta the government claims its first object is to solve its present financial difficulties.

From the investor's point of view, of course, the chief assets behind any government security are the will to pay and the power and ability to collect taxes. These and other aspects of the situation of each of the four provinces are dealt with in the following:

Manitoba

Higher prices are improving farm purchasing power, in spite of a small, low-grade wheat crop. Mining activity is helpful in expanding and diversifying business in the province.

A budget surplus of $159,435 was shown in the year ended April 30, 1935. This included provision for sinking funds, but did not include relief expenditures of $2,571,278. Hence, there was really a deficit of $2,411,843.

It is noteworthy that Manitoba government revenue is running at the highest level on record, due to high taxation and increasing income in the province. The chief job is to reduce or eliminate relief expenses. If provincial revenue were to gain 10 per cent in the current year, and if relief expenditures were reduced, say, one-third, a genuinely balanced budget would be in sight. The gross provincial debt of $123.8 millions amounts to $176.87 per capita or $164.04 per capita after deducting sinking fund. The facts and figures show why Manitoba bonds rate first of the four western provinces.

British Columbia

Basic industries of British Columbia are all on the up trend. Lumbering is expected to benefit materially from the U.S.-Canada trade agreement. Mining, fishing and agriculture are all producing improved returns. Frank A. Rolph, president of Imperial Bank of Canada recently put it: "The unemployment situation is a serious factor in Vancouver, but on the whole, business is better and promises to be better still."

The McGeer agitation has quietened and has not obtained the support of the provincial government which has recently shown a firm desire to improve the provincial credit standing.

The government's real deficit is difficult to calculate. The official budget includes some capital expenditures and part of sinking fund, but relief costs are not being met out of revenue. Relief expenditures have been running over $3 millions annually, and they constitute the real provincial deficit.

Gross debt a year ago was $169.9 millions, or $244.72 per capita. Deducting the large sinking fund, the debt was $198.70 per capita.

Saskatchewan

Crop conditions in Saskatchewan have been unsatisfactory but were improved in some sections this year. Higher prices are expected to bring some increase in total income in the province, which lacks some of the diversity of production of the other three provinces.

The government had a deficit of $1.4 millions in 1933-34, and of about $3 millions in 1934-35, without including relief expenditures. The latter have varied greatly and the Dominion government has paid large sums for relief in the province. This year the deficit will probably be reduced, perhaps to $1 million, excluding relief. This would still mean a considerably greater real deficit however.

Government revenue is increasing and expenses have been reduced. The chief needs of the province, so that the budget can really be balanced, are better crops and reduced relief expenditures. Financially, the government has been improving its position by borrowing on long term bonds to fund various short term debts. It has some distance to go, however, before its problems of deficits, involving continued borrowing, will be solved.

Gross debt of $178.2 millions amounts to $193.30 per capita. Deducting sinking funds, the net debt is $184.67 per capita.

Alberta

Alberta is the western puzzle. There has been some improvement in results in certain crop areas, prices are higher and the important livestock industry is doing better. So there are prospects of higher income and increased government revenue in the province.

The government has not cut its expenditures sufficiently to even approach a balanced budget. In the year ended April 30, 1935, the deficit was $2.1 millions, which must be doubled to show the real deficit of $4.2 millions including relief. Even this does not tell the whole story. Hon. Charles Cockroft, new provincial treasurer, recently stated that a deficit of about $9 millions on all accounts will be recorded for 1935-36. The most encouraging thing is that the government is making a survey to see if the budget cannot be balanced. It does not want to raise taxes so will have to slash expenditures materially if it is to balance its accounts.

Social Credit

The greatest uncertainty in Alberta is "social credit," the unorthodox monetary theory to which the present government is pledged. The government contends that its first aim will be to balance the budget, but Premier William Aberhart thinks this is consistent with adoption of a "social credit" system.

If Alberta's budget were balanced, investors would perhaps have less fear of "social credit." Meanwhile the budget situation is adverse and is of more immediate concern than the untried (and probably impossible) "social credit" scheme.

Gross provincial debt is $165.3 millions, or $215.51 per capita. If sinking fund is deducted, the net per capita debt is $199.50.

$250,000 Subway

A $250,000 subway is to be built this winter in St. James, a Winnipeg suburb.

U. S. Drink Bill in 1935 Reaches $3.5 Billions

Imports Low But Figures Show Canadian Whisky Shipments Leading With Scotch Second—Demand for Legally Produced Spirits Increasing

Investors in securities of Canadian distillery companies may derive encouragement, though not unrestrained optimism, from the fact that the inhabitants of the United States spent $3.5 billions for liquor and beer in the year ended June 30, 1935.

According to the New York Journal of Commerce, this amount of money was distributed for 70 million gallons of whisky, more than 15 million gallons of gin, close to two million gallons of brandy, more than one million gallons of rum, 36 million gallons of wines, and slightly over 45 million barrels of beer.

Six Million From Canada

Canadians led in exports to meet the demands of that apparently gigantic thirst. But total imports of whiskies, which were Canada's main contribution, were only six million gallons or 8.6 per cent of the whole. Canadian whisky was the import leader with Scotch whisky a close second and Irish whisky trailing far behind.

Expect Increases

Canadians are awaiting data to indicate how much the drop in the United States duty from $5 to $2.50 a gallon will affect the total of Canadian whisky exports. Distillers hope to get a greater share of total business now available. They note also that use of whiskies legally produced increased materially in 1935.

That may continue as the total consumption of legal liquor in the United States is only 45 per cent of what it was in pre-prohibition times. The bootlegger had all the available business during prohibition prior to 1934. It is now evident that the legitimate market is increasing business progressively at the expense of the bootlegger.

Tax Receipts Soar

Increasing taxation receipts tell that story. United States taxes on liquor were $90 millions in 1934 and $196 millions in 1935. They will be $250 millions in 1936, it is estimated.

The last two years have been years of trouble for the industry. It has been a fight against bewildering varieties of legislation, high tariffs, high and many taxes and license fees.

Importers and wholesalers diminished in number during the last year but that should not lessen the demand for aged American-type whisky now in Canadian warehouses.

COTTON IMPORTS SHOW INCREASE

Lancashire Secures Larger Share of Canadian Market

From Our Own Correspondent

MONTREAL.—Cotton textile imports into Canada for the first ten months of 1935 totalled 22.9 million pounds an increase of 11.7 per cent over the corresponding period of 1934.

Analysis of the returns for this year shows that the United Kingdom supplied by far the major portion of shipments to this country, or 17.5 million pounds, being an increase of 15.1 per cent over a year ago, and equivalent to more than 76 per cent of Canada's total imports.

Piece Goods Lead

Ranking first in Canadian imports is the "piece" goods classification, 14.7 million pounds having been imported up to the end of October.

Of this total, Great Britain supplied 10.6 million pounds, an increase of 16.1 per cent over a year ago. British shipments of yarn, thread and cordage rose by 8.4 per cent to practically four million pounds, and sundry lines of cotton goods by 20 per cent to 2.4 million pounds.

United States shipments in the "piece" goods class showed a reduction of 5.9 per cent to 3.2 million pounds.

Crabtree Named President Woods Manufacturing Co.

From Our Own Correspondent

MONTREAL. — Harold Crabtree has been elected president of the Woods Manufacturing Co., while W. A. Eden has been named vice-president. These changes have been made owing to the death of Thomas Mitchell.

Mr. Crabtree is president of Howard Smith Paper Mills and Mr. Eden president of Dominion Rubber Co.

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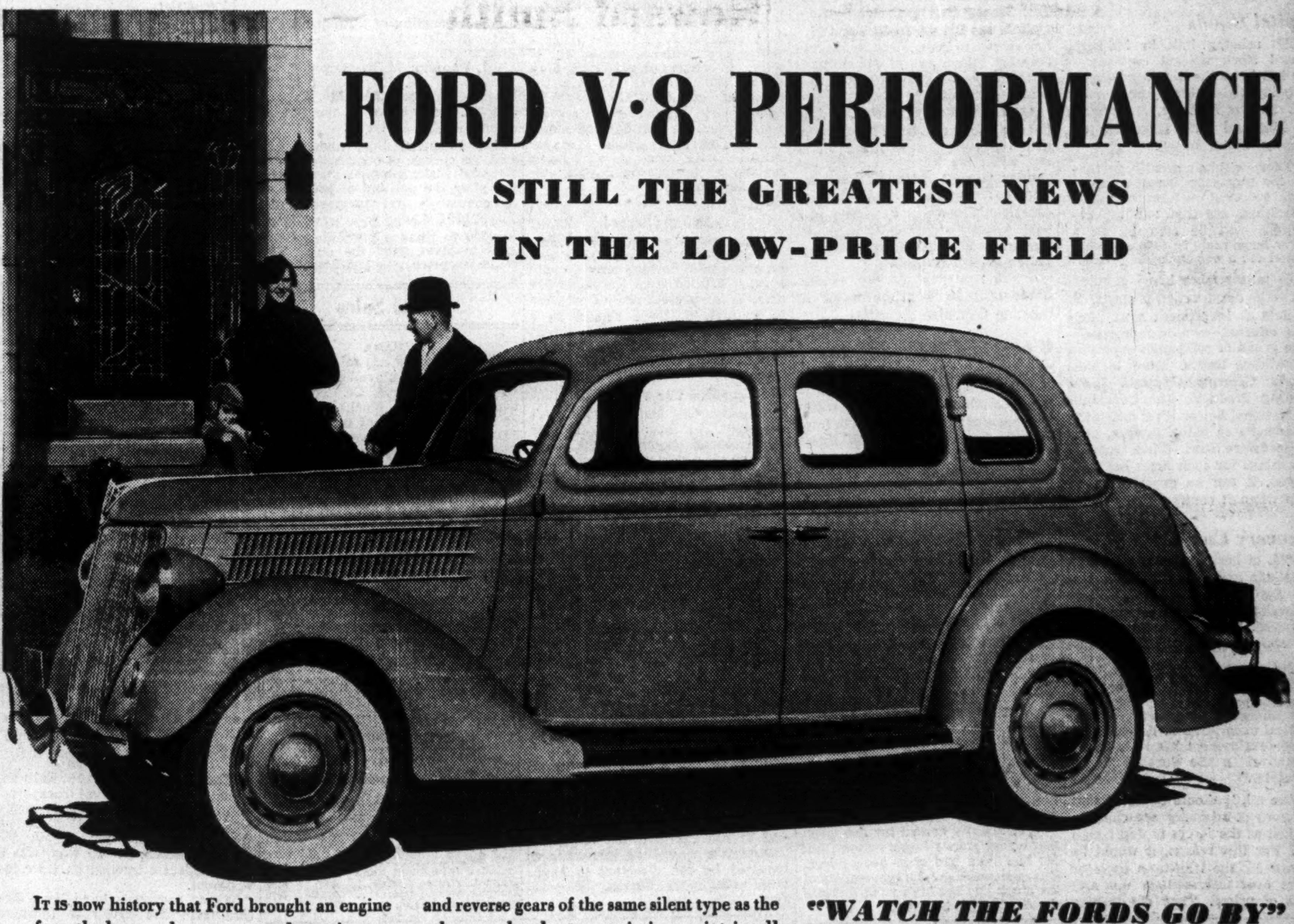
The Habit of Saving Is a Step to Success

103

IMPERIAL BANK OF CANADA
HEAD OFFICE-TORONTO
BRANCHES THROUGHOUT CANADA



It is now history that Ford brought an engine from the luxury class to power a low-price car. Ford is still the only car under $2000 with a V-type engine. And though there are more than two million satisfied Ford V-8 owners—it is still great news that the Ford V-8 engine gives eight-cylinder performance with the economy of engines having fewer cylinders. Outstanding in 1935 . . . Ford V-8 performance is improved for 1936.

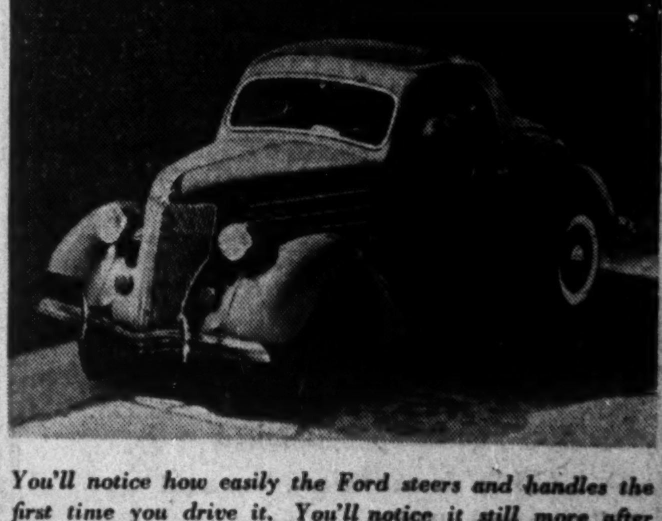
Every other feature of the 1936 Ford V-8 measures up to the high standard of the V-8 engine. The fine-car quality you find under the hood is apparent throughout. Ease of control has been increased by a new steering-gear ratio and new ease of shifting gears. New first and reverse gears of the same silent type as the others make the transmission quiet in all speeds. Big, powerful Super-Safety Brakes stop the car quickly and with certainty.

The Ford V-8 does all things easily. Check this yourself by trying out one of your Ford dealer's new cars. Note the safety features and roominess, the body lines, fittings and finish. Note the great comfort which Ford Centre-Poise design provides for back-seat passengers as well as front. The dealer will gladly arrange for a trial.

NEW LOW FORD PRICES
Canada-United States Trade Treaty becomes effective January 1st, 1936. New Ford V-8 prices based on the treaty are now in effect. Buy Now — Take advantage of these new low prices.
Convenient Terms
Ten Ford V-8 Body Types

THE NEW FORD V·8

"WATCH THE FORDS GO BY"



You'll notice how easily the Ford steers and handles the first time you drive it. You'll notice it still more after hours behind the wheel . . . thrilling to V-8 performance.

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Dec. 14 AQUITANIA
Jan. 2 MAJESTIC
Jan. 8 BERENGARIA
Jan. 22 BERENGARIA
to Galway, Cobh and Liverpool
Dec. 14* BRITANNIC
Jan. 4* GEORGIC
to Cobh and Liverpool
Dec. 27* SAMARIA
Jan. 17* LACONIA
to Belfast and Liverpool
Jan. 10 ANTONIA
to Plymouth and London
Dec. 12 ASCANIA
Dec. 26 AUSONIA
Jan. 2 ANDANIA
Jan. 16 AURANIA
*Calls at Boston following day
from HALIFAX*
to Plymouth and London
Dec. 15 ASCANIA
Dec. 29 AUSONIA
Jan. 5 ANDANIA
Jan. 19 AURANIA
to Belfast and Liverpool
Jan. 12 ANTONIA
*Embarkation previous evening

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Investment Trends —

Prospect of Year-End Inactivity

• • • •

Capital Goods and Cumulative Recovery

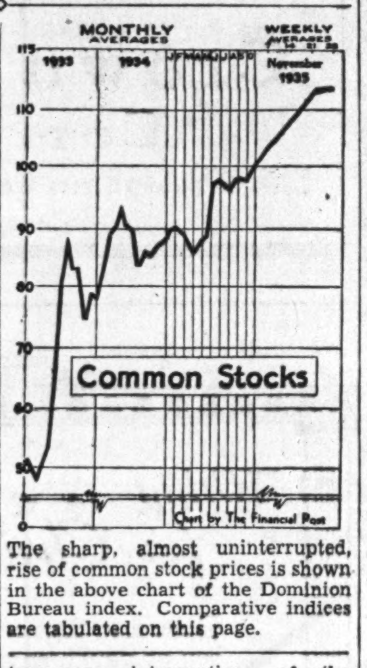
Realization of stock market profits in the United States is expected to have an unsettling effect on prices over the year-end. The holiday season usually brings reduced activity and smaller movements in securities.

In 1936 there may be an extension in Canada and the United States of the stock market advance based on improved corporate earnings, recovery of capital goods trades, and on socialization of American banking.

It appears that booming stock prices are regarded not unfavorably by the Roosevelt administration in the face of an election. Hence, the inflationary credit base, created by government banking, will remain to boost prices in 1936.

Depreciation of European currencies would tend temporarily to depress prices of both stocks and bonds in Canada and the United States. European funds that have been entering the United States could be withdrawn profitably.

Problems of Canadian government finance can be expected to cause some disturbances of securities in the next year or two. The result of budget-balancing programmes, however, should be to add to the forces of recovery which are behind the upward trend of stocks for the long term.



The sharp, almost uninterrupted, rise of common stock prices is shown in the above chart of the Dominion Bureau index. Comparative indices are tabulated on this page.

Averages Near Peaks

DESPITE recent softness, stock market averages remain close to the highest levels of this year. A full normal decline would take the figures down to approximately the levels of Sept. 30. The advances of the past two months are shown:

Movements of Averages

	N. Y. (Dow-Janes) Indust.	Rail	Can. Toronto	Indus. Mtl.
November 30	142.35	39.20	127.03	65.5
September 30	131.92	34.93	109.19	56.6
November gain	2.61	4.59	6.75	3.2
October gain	7.84	†.32	11.09	5.7

†Decline in October.

An important point of weakness in the three industrial averages should be noted. In November, all except the rail average advanced less than in October, despite increased volume of trading.

There were 57.9 million shares traded in New York in November, compared with 46.6 million in October.

Montreal volume of 2.4 million shares in November showed an increase of about 50 per cent over October. Toronto trading in industrials was 1.6 million shares in November, twice the October volume.

Higher volume indicated resistance to rising prices. Present reduction of volume, without much change of prices, might well herald a further advance in 1936. Even a sharp recession of prices should encourage the long-term investor because it would open buying opportunities and lay a basis for recovery later.

The oddity in the averages is the Dow-Jones rail figure. Whereas it was formerly pronounced in its weakness, it has gone above 40 for the first time this year. Continued strength of the average for rail stocks would be considered an indication that the recent rise of share prices will be resumed in the near future.

* * *

Capital Goods

THE missing link in industrial and stock market recovery to date has been the depressed capital goods industries. It may be found in 1936. Arthur P. Earle, president of the Montreal Life Insurance Co., recently ventured:

> "There will be a great opportunity for mortgage investments in Canada during the next five years. Indications are that building operations will be resumed on a fairly large scale in 1936 and continued for a considerable period."

This means more housing, rather than large construction projects. So the field of investment most likely to be affected—outside mortgages—is the group of companies supplying the building trades. These include: Canada Cement; Gypsum, Lime; Building Products; The Cooksville Co.; National Sewer Pipe; and many others such as paint, lumber, glass and hardware firms. Since recovery of earnings for such firms has been delayed, it can be expected to be sharp when it comes.

* * *

Recovery Cumulative

LEVEL of business activity in both Canada and the United States is now the highest since the early autumn of 1931. Only now the trend is upward. The First National Bank of Boston states:

> "Business recovery is definitely under way, although it may be temporarily retarded by unfavorable foreign developments or by political uncertainties. An encouraging development has been signs of revival in the durable goods industries."

Above all, it should be noted that the forces of recovery are cumulative, just as the forces of depression were. For this reason, it would be an error for the long-term investor to fret over intermediate ups and downs of prices. They are merely temporary interruptions of the longer term rise.

* * *

Exports of Securities

INFLOWING money is helping swell the demand for investments in Canada, thus pushing up prices. This is shown in the compilation by the Dominion Bureau of Statistics of international dealings in Canadian securities.

In the nine months ended Sept. 30, 1935, outsiders took a net amount of $35 millions of securities out of Canada. In the same 1934 period they took $16.1 millions net, and in the 1933 period $54.6 millions, off our hands.

An important sidelight on recent developments is shown in the statistics. Money that was coming here from Great Britain in 1933 and 1934 has ceased to come. British sources actually sold a net of $12 millions of securities back to us in the first nine months of this year.

American money is coming into Canada for investment. It is more than offsetting British sales. If, as and when the American credit expansion "takes" in United States investment markets, a huge flow of American money in Canada might well develop. Meanwhile, rehabilitation of Canadian credit would revive British interest.

In the next year or two, outside funds may be a prime factor in boosting Canadian securities.

* * *

Wheat and Milling Firms

THE announcement of a change in marketing policy with regard to the Dominion government's wheat venture is of first importance to flour milling firms. Hon. W. D. Euler, Minister of Trade and Commerce, announced that the policy of selling wheat will be designed to reduce Canada's surplus to normal. He commented:

> "There will be no 'fire sale' of wheat. It will be for sale at competitive values and will not be held at exorbitant premiums over other wheats."

This is just the policy—if it is carried out—that Canadian millers need so that they can get their raw material—grain—at prices competitive with millers abroad. It verifies what was said in this column nearly three months ago about improvement in the outlook for milling securities.

Brewing Corp. Foams Up

Seemingly from nowhere, Brewing Corp. preferred shares suddenly foamed up to $13 each this week. The company's record for the latest fiscal year shows improvement, but far less than had once been hoped. The somewhat erratic movements of the stock and the high yield indicate the risks of the business.

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Branches in all Principal Cities of Canada

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Investment Notes

Reductions in one thing and another are prominent these days, as witness these notes:

Radios, Rogers and Others

Major radio manufacturers and importers in Canada have announced price reductions following the Canada-U.S. trade agreement, even though it does not come into effect until Jan. 1. This may knock the top off benefits Rogers-Majestic Corp. has been expecting from increased Christmas volume. While it may cut into margins of firms like Canadian Westinghouse, C.G.E., Canadian Marconi and others, Rogers-Majestic is peculiarly affected because it depends so largely on radios for its volume.

* * *

Movie Taxes Down

Famous Players should benefit from recent reductions in Ontario amusement taxes. This one province had the least satisfactory recovery record in theatre attendances this year. This was attributed to the rise of admission taxes, and is expected to be corrected by the latest change.

* * *

Laura Secord Prices

Prices of Laura Secord candies remain stabilized at 50 cents a pound. The company is not at all disturbed by a recent reduction of price to 40 cents a pound by a competitive chain. Laura Secord is well-equipped to compete with lower-priced sweets with its Candyterias which sell at 29 cents a pound. A. E. Ames & Co., incidentally, make the shining record of Laura Secord since 1913 the subject of a current investment analysis.

* * *

Sherwin-Williams

Reductions in paint prices obviously did not come early enough to have a pronounced effect on earnings of Sherwin-Williams Co. of Canada this year. Next year, increased building activity should tend to aid profits. While the preferred dividend hasn't been covered, it would not take a great deal more recovery to earn it.

* * *

Imperial Oil Resistance

Imperial Oil shares have slumped under the pressure of declining stock markets, the gasoline tariff enquiry, possible League of Nations interference in the oil business, and what not. On the whole, the smallness of the decline of the shares, from about $22 to $20, shows one reason why they are popular. There's always a firm market.

* * *

Canadian Dredge

The firmness of shares of Canadian Dredge & Dock Co. indicates expectations that a final dividend for the current year will be declared. Apparently the company's earnings would permit another payment. Added to the $1 a share already paid, another dividend would make total payments for the year the highest since 1931-32.

* * *

National Grocers Plan

Common stock of National Grocers remains firm, partly in hope that a deal will be worked out to wipe off arrears of preferred dividends, but basically because the company continues to do well. Elimination of preferred arrears would open the way for consideration of common dividends. Plans for dealing with arrears are being molded by investment dealers outside the company.

* * *

Loblaw Record

Anticipation of Loblaw Groceterias Co. that improved sales and profits would develop this autumn appear justified from the latest figures. If the present rate of progress is maintained, there should be a good increase in sales for the current year, and profits should show a comfortable gain by next summer.

* * *

Canadian Car and Foundry

Canadian Car and Foundry Co.'s president, in his report to the shareholders, expressed the hope that the car orders recently obtained from the railways, the first since December 1930, are an indication that the railways have now reached the point where steady replacement of rolling stock will be undertaken. As this business was not received until September, the 1935 fiscal year report naturally does not reflect the anticipated benefits accruing from this business.

During the past year Canadian Car formally acquired the physical assets of its wholly-owned subsidiaries, Canadian Steel Foundries and the Pratt and Letchwith Co., so that now all properties are operated under the name of Canadian Car and Foundry Co. The identities of these subsidiary companies are being maintained under greatly reduced capital for convenience in retaining patents and various manufacturing rights.

Operations of the Canadian General Transit Co. in which Canadian Car owns a controlling interest, are reported by the directors to have been satisfactory during the past year.

NATIONAL STEEL BUILDS NEW TYPE OF C. P. R. COACH

Will be Used in Service With New Locomotive —Special Features

From Our Own Correspondent

MONTREAL.—National Steel Car Corp. has received an order from the Canadian Pacific Railway for the construction of four mail and express cars, four baggage and buffet coaches and eight coaches, to operate with the new light-weight engines which the company will put into service shortly.

These coaches are of light-weight design and are moderately streamlined. The roof, instead of being of the Clere-Story type now used on standard cars, is to be a round top, the height from the rail to the top of the roof to be 12 feet 11 inches instead of 14 feet 1¼ inches as on the standard cars.

The new coaches differ from the standard cars in that they have twelve-wheel trucks instead of the six-wheel trucks now in use.

Another development on these cars is that the big cylinders, which have previously been located on the bottom of the car, will now be located on the truck, thereby simplifying the arrangement of the undercarriage of the car and allowing more room for the application of water tanks, battery boxes, etc.

The trucks on all these cars will be equipped with roller bearings and with thermostatic control of the heating.

The mail and express car is equipped with electric light, the first car of this kind to be so equipped.

The baggage and buffet coach will have a counter, which opens into the coach end of the car. It is designed for the serving of light lunches by the newsboy, who will have trays that will hook on the back of the seat in the coach compartment.

SELL CONTROL NATIONAL LIGHT TO CANADIANS

From Our Own Correspondent

MOOSE JAW.—A change of ownership of the capital stock of National Light & Power Co. has been completed, according to an official announcement by H. F. Berry, director and manager, following a general shareholders' meeting here. The company has controlled supply of electric light and power in Moose Jaw since 1930.

The company is now controlled by a group of Canadian business men and investors headed by D. I. McLeod, of McLeod, Young, Weir & Co., who sold the first mortgage bonds. The stock was formerly owned by Iowa Southern Utilities Co., which controlled National Light.

Iowa Southern Utilities has disposed of the shares in conformance with the U.S. Utilities Act of 1935. There will be no change in the policies, operations or management of National Light & Power, Mr. Berry states.

At the meeting of shareholders of National Light & Power Co., a new directorate was named: D. I. McLeod, Toronto; M. F. Harwood, W. Spotton, W. E. Hirsch and H. F. Berry, all of Moose Jaw. Mr. McLeod and Mr. Berry were on the former directorate.

The Financial Post understands that the change of ownership of the National Light common shares does not alter the position of holders of the company's first mortgage bonds. The $2,000,000 bond issue was floated in 1930 to finance purchase of the electric plant from the city. The purchase price was $2,875,000.

Bond Sales

Ottawa

City of Ottawa has sold $1,820,000 of debentures to a syndicate headed by Wood, Gundy & Co. The issue consists of three blocks, $1,022,000 of 10-year installment bonds, $160,000 of 15-year installment bonds, and $638,000 of 20-year installment bonds. The 10- and 15-year issues bear interest at 2½ per cent and the 20-year interest at three per cent. The 2½ per cent issues were sold at 99.635, a cost basis to the municipality of 2.57 per cent and the three per cent issue at 99.538, a cost basis of 3.05 per cent. Bids were:

	2½% 10 and 15-yr.	3% 20-yr.
Wood, Gundy & Co.; Royal Bank; Dominion Bank; Nesbitt, Thomson & Co.	99.635	99.538
Bank of Montreal	98.75	98.40
A. E. Ames & Co.; McTaggart, Hannaford, Birks and Gordon; Harrison & Co.	98.67	98.49
Bell, Gouinlock & Co.	98.48	98.37
Bank of Nova Scotia	98.375	97.97
Dominion Securities Corp.; Imperial Bank	97.81	97.77
Meade & Co.	96.57	93.75

Investment Trusts

	Bid	Asked
All Can. Com. Stock Trustee Shs.	11.35	....
Canadian Investment Fund	3.85	4.18
Can. Int. Trustee Shares	4.87	5.37
Grouped Income Shares	5.20	5.70
Trans-Canada Shares	11.05	....

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied products 19	Beverages 8	Total industrials 87	Total utilities 20	Total co's. 113
1929-34:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low		36.8	1.4	34.9	78.3	68.5	27.3	44.0	30.5	38.6
Monthly Figures, 1935:										
January	129.4	14.0	71.5	181.5	75.8	134.2	106.8	129.7	50.4	90.5
February	126.4	13.4	67.4	197.7	75.6	131.3	108.1	128.8	49.4	89.6
March	117.0	11.6	56.0	176.0	74.1	126.5	101.6	125.6	45.1	86.1
April	119.4	11.1	56.9	178.6	73.1	125.1	99.6	130.8	43.8	88.5
May	121.9	10.8	59.9	211.7	70.3	127.8	102.4	144.4	44.4	96.8
June	118.6	10.5	58.4	217.9	67.2	127.0	104.7	145.2	45.0	97.1
July	122.2	10.6	57.4	210.6	66.7	128.5	116.7	143.8	44.7	95.5
August	122.1	12.0	59.3	210.0	65.5	130.1	122.9	146.1	47.7	98.2
September	118.7	13.4	61.2	206.6	61.8	128.7	126.5	147.1	46.3	97.5
October	123.0	12.6	60.9	215.1	63.5	134.4	133.2	152.9	45.6	100.0
Weekly Figures, 1935:										
Nov. 7	128.6	13.7	64.6	231.8	69.4	143.2	149.3	163.7	48.2	106.7
Nov. 14	126.9	14.0	66.4	230.9	68.7	144.4	152.9	168.3	49.6	108.7
Nov. 21	127.5	15.2	67.7	228.9	68.4	146.5	163.0	172.3	52.2	111.9
Nov. 28	126.7	15.8	69.1	223.8	69.7	147.5	159.9	173.2	53.4	112.0

*High and low of years from 1929 to 1934 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Dec. 3	127.79	114.11	113.21
Dec. 2	128.51	112.73	112.36
Nov. 30	127.03	112.58	113.11
Nov. 29	126.52	111.94	113.27
Nov. 28	128.21	112.02	114.72
Nov. 27	127.13	111.28	111.30
Month ago	122.00	107.78	101.35
Year ago	99.69	107.13	77.28
High, 1935	128.33	123.68	114.72
Low, 1935	97.90	96.70	80.83

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Dec. 3	66.9	66.0	66.3
Dec. 2	66.6	65.3	65.7
Nov. 30	66.6	65.5	65.8
Nov. 29	66.6	65.5	65.9
Nov. 28	67.7	65.3	66.1
Nov. 27	67.5	65.1	65.9
Month ago	66.7	62.7	64.0
Year ago	58.6	56.9	57.5
High, 1935	69.6	66.7	67.7
Low, 1935	56.1	54.8	56.1

PRESSED METALS 11-MONTHS SALES SHARPLY HIGHER

Dividend of 25 Cents a Share Declared Payable Jan. 2, 1936

Substantial increase in profits of Pressed Metals of America Inc. is reflected in the announcement of the declaration of a dividend of 25 cents a share, payable Jan. 2, 1936, to shareholders of record Dec. 16, 1935.

This is the third dividend declared in the current year. On April 1 last the company paid a stock dividend of two per cent. On Oct. 1 a further disbursement of 12½ cents per share was made.

Profits in the year ended Dec. 31 next will be substantially higher than in 1934, when 36 cents a share was earned, The Post is informed. While no official estimate of earnings is available, it is known that dividends have been earned by a good margin. A further increase in profits is looked for in 1936.

Gross sales in the current year have been almost double those of 1934. For the first 11 months of the year sales are reported at $1½ millions compared with $888,000 in the first 11 months of 1934. At the present time the company is using about 50 tons of steel and shipping about 150,000 pieces a day.

Improvement in the company's business is attributed to increased demand from the automobile manufacturers for motor parts, in which the company specializes. With the automobile industry looking forward to an even better year in 1936 the company expects a further improvement in business, The Post is informed.

Operations have also been helped by the change made in 1934 from brass to steel manufacturing machinery. Operating efficiency has improved and costs have been reduced.

SHERBROOKE TRUST REPORTS SURPLUS

Income Lower in Past Year —Estates Near $4 Million Mark

From Our Own Correspondent

MONTREAL. — Sherbrooke Trust Co. reports a net profit for the past fiscal year, before providing for income taxes and depreciation of $29,773. This figure was smaller than in the previous year, largely due to not taking into account the earned and accumulated interest held in suspense and, in a lesser degree, to the lower interest rates on bonds and mortgages.

Total income for the period was $101,389 and after all expenses, including income taxes, depreciation and dividends at the rate of 6 per cent, there was a net credit balance of $2,909, which brought the profit and loss balance to $36,213. From this sum an amount of $13,119 was set aside for contingencies, increasing this reserve to $34,000. Unappropriated profits now stand at $26,003.

The balance sheet shows that the company has cash on hand of $101,178; call loans of $58,575; accounts receivable, $1,555 and bonds of $534,256. The latter have a market value, at the close of the fiscal year, of over $14,000 in excess of costs.

Trust accounts, representing estates, funds and investments for administration, now reach the sum of $3.9 millions.

Loblaw Sales Show Increase; Profits Higher

Sharply higher sales and profits are reported by Loblaw Groceterias Co. for the four weeks ended Nov. 16 compared with the corresponding period of 1934. Sales are up 9.07 per cent and profits 12.5 per cent.

While total sales for the six four-weeks periods ended Nov. 16 are higher than in the same period of 1934, profits are slightly lower. At the present rate of increase the earlier decline in profits will soon be wiped out. Indications are that for the fiscal year, which ends May 31 next, sales, and possibly profits, will show a substantial increase.

Sales in the four weeks ended Nov. 16 totalled $1,275,637. This compares with $1,214,789 in the immediately preceding four weeks.

Comparative figures follow:

Loblaw Sales and Profits

Four weeks ended Nov. 16	1935	1934	Incr. %
Sales	1,275,637	1,169,537	9.07
Profits	63,535	56,463	12.5
24 Weeks to Nov. 15:			
Sales	6,991,340	6,716,015	4.09
Profits	306,201	310,983	1.53

Associated Breweries Pays Common Dividend

Associated Breweries of Canada brings its total common dividends for 1935 to 50 cents a share in 1935, the same as in 1934, with its latest declaration of 25 cents a share, payable December 31 to shareholders of record December 15.

This was welcome action to shareholders as payment was deferred in September because the directors wanted to wait "until the prospects for the balance of the year are more definitely assured." Uncertain western crop conditions made them uncertain but their fears have not been realized sufficiently to prevent the dividend being paid.

Preferred dividends, which have always been well covered by earnings through the depression, have also been declared at the usual 7 per cent rate. The policy with reference to common dividends is payment as conditions warrant. They have varied from as high as $1.75 a share in 1929 and 1930 to 25 cents in 1933. Earnings in 1935 were 95 cents a share.

Montreal Stock Sales Well Ahead of Last Year

From Our Own Correspondent

MONTREAL.—Sales of the Montreal Stock Exchange and the Montreal Curb Market totalled 2,411,183 shares during November, an increase of 919,625 shares from October, and about 635,000 over November, 1934.

Turnover of industrials last month amounted to 1,186,099 shares, compared with 588,795 shares in October and 566,992 in November last year. In mines, 1,225,084 shares were traded, as against 902,763 in October and 1,217,478 in November, 1934.

Lower Prices Offered By Anaconda Brass

A new price list is issued by Anaconda American Brass Limited, New Toronto, effective from November 26, showing a reduction in prices of brass and copper rods, tubing and sheets.

This reduction amounts to one-quarter cent a pound and is caused by an easing of prices which has prevailed in the primary ingot copper market.

Co-ordinate Railways

Sir Charles Gordon Urges Regulation by Federal Board—Useless Competition Should be Eliminated

From Our Own Correspondent

MONTREAL. — Co-ordination of all forms of transportation, not by the throttling of competitive systems, but by the elimination of useless competition through intelligent direction and creation of a federal board to regulate transportation, was advocated by Sir Charles Gordon, president, at the annual meeting of the Bank of Montreal shareholders.

After pointing out that the public has been surfeited with arguments as to what cannot be done to remedy the railway situation, Sir Charles said: "yet the Canadian National Railways is still allowed to plunge us into debt. During the past ten years the guaranteed debt of the Canadian National Railways has increased $405 millions, grants to cover deficits have amounted to $153 millions.

"Unpaid interest upon loans from the Dominion Government has increased $329 millions, an aggregate addition of $887 millions to the direct and indirect debt of the Dominion.

"Moreover, I am credibly informed that adequate provision is not being made for depreciation and that this will eventually mean further large expenditures.

C.P.R.'s Position

"The Canadian Pacific Railway, which is one of the great transportation systems of the world, formerly paid its common and preferred shareholders each year about $40 millions, which, by the way, was a very moderate interest on their investment.

"These payments have been discontinued, due partly to business conditions but also to the fact that the system has been competing with a railway which is receiving money from the federal treasury in generous sums that, by an easy process of bookkeeping, are added to the federal debt.

Views C.P.R. As Asset

"The Canadian Pacific does earn its bond interest and pay its taxes, and therefore is an asset and not a liability to the country. If the Canadian Pacific were earning and paying the dividends that it formerly paid, it would be contributing, in addition to the taxes it now pays, an annual income tax to the federal government of about $6 millions, and there would be the further income tax to be received from nationals owning the shares.

Unwarranted Competition

"What can be done, and what must be done, is to put an end to the utterly unwarranted competition and duplication of services by our two great railway systems.

"In this connection I repeat what I said last year, namely, that railways today face extraordinary competition from other means of transportation, and that railways competing against each other in a ruinous way that ours do can never succeed in adopting a common policy to meet these other forms of competition.

Must Co-ordinate

More than ever it is necessary to co-ordinate all forms of transportation, not by the throttling of competitive systems, but by the elimination of useless competition by means of intelligent direction. A first step is the co-ordination of our railways.

"A second step is the regulation of all forms of transportation under a Federal Board of Transportation Commissioners vested with powers similar to those of the Board of Railway Commissioners, but on a wider and more comprehensive scale."

Public Utility Earnings

B. C. Power Corp.

October:	1935 $	1934 $
Gross revenue	1,124,654	1,058,653
Oper. expenses	752,764	694,355
Net earnings	371,890	364,298
Four months end. Oct. 31:		
Gross revenue	4,457,728	4,168,126
Oper. expenses	3,072,694	2,836,713
Net earnings	1,385,034	1,331,413

Barcelona Traction

	1935 pesetas	1934 pesetas	Increase pesetas
Gross earn.	10,075,533	9,600,485	475,048
Oper. exp.	3,577,893	3,326,279	251,614
Net earn.	6,497,640	6,274,206	223,434
Ten Months:			
Gross earn.	99,851,667	95,681,727	4,169,940
Net earn.	63,419,263	61,305,914	2,113,349

Canada Northern Power

October:	1935 $	1934 $	Increase $
Gross earn.	379,446	368,362	11,084
Oper. exp.	144,269	133,450	10,819
Net earn.	235,177	234,912	265
Ten Months End. Oct. 31:			
Gross earn.	3,651,904	3,419,636	232,268
Oper. exp.	1,364,626	1,179,489	185,137
Net earn.	2,287,278	2,240,147	47,131

Railway Earnings

Canadian Pacific Railway

October:	1935 $	1934 $
Gross revenue	13,198,208	12,752,349
Expenses	9,948,865	8,651,670
Net revenue	4,249,341	4,100,679
Ten Months:		
Gross revenue	106,238,631	103,652,668
Expenses	90,602,529	85,881,881
Net revenue	15,636,101	17,770,786

Canadian National Railways

October:	1935 $	1934 $
Oper. revenue	17,825,900	15,803,292
Oper. expenses	14,195,774	12,993,863
Net revenue	3,630,135	2,809,429
Ten Months:		
Oper. revenue	142,956,088	137,766,001
Oper. expenses	133,160,288	127,814,067
Net revenue	9,795,000	9,951,934

Union Gas Company
Established 1907

For more than twenty-five years the Union Gas Company of Canada, Limited has been engaged in the production and sale of natural gas in Western Ontario.

Earnings record of the Company indicates the stability of this enterprise. During the last five fiscal years average earnings (after depreciation) were 2.3 times bond interest requirements.

New Issue
Union Gas Company of Canada, Limited
4½% First Mortgage Bonds
Due December 1st, 1950.
Denominations: $500 and $1,000.
Price: 98 and accrued interest, yielding 4.68%.

Descriptive circular gladly forwarded upon request.

Wood, Gundy & Company
Limited
Toronto
Montreal
Winnipeg
London, Eng.
36 King Street West
Toronto
TELEPHONE: ELGIN 4321
Ottawa
Hamilton
Vancouver
London, Ont.

Distillers-Seagrams Opens New Offices

Distillers Corporation-Seagrams has made arrangements for occupancy of new quarters on Bay Street, Toronto, to be used as the company's executive offices.

The fact that the company has maintained a small office space in a near-by building, and, it is understood, intends to use the entire building in its new location, indicates that greater executive concentration of the company's activities in Toronto can be expected. The new site is immediately north of the Toronto Stock Exchange building and is in the heart of Toronto's financial district.

Renovation of the building, formerly occupied by a mining brokerage firm, is in progress.

Supplementary Letters Can. Biscuit, McCormick's

Supplementary letters patent dated Nov. 5, 1935, have been issued by the Department of State, Ottawa, increasing the capital of Canada Biscuit Co., the name of which is to be now McCormick's Ltd. The increase consists of 25,000 new six per cent non-cumulative preferred shares of $50 each and 65,000 common shares of no par value. The new common stock may be issued for a consideration not exceeding a total of $325,000.

The change in capital is made in accordance with the reorganization approved recently by bondholders. The new preferred shares are for issue to bondholders, one share for each $100 of former bonds. The other $50 of each old $100 bond is replaced by $50 of new bonds.

Company Chain Stores To Combat Montreal Tax

Company-owned chain stores in the Montreal area are expected to take legal action against the city to contest special taxes levied on them, according to Canadian Grocer. The chains will try to have the taxation declared ultra vires, on the ground that the intention is to control trade by handicapping company chains for the advantage of voluntary chains that are not taxed in the same way.

Another claim is likely to be that the taxation is indirectly levied on consumers. On the ground of indirect taxation and of regulation of trade.

FEATURES
in the December issue
THE CANADIAN CHARTERED ACCOUNTANT
Corporate Reports
Shoe Manufacturing Industry
Bond and Sinking Fund Records
1935 Amendments Dominion Companies Act
Exchequer Court Judgment
Professional Fees on Basis of Results

Published monthly, $2.00 per annum. Subscription open to all interested in accounting discussions. Send subscriptions to The Editor, 10 Adelaide Street East, Toronto.

WE ANNOUNCE
THE DISSOLUTION IN PARTNERSHIP
OF
KIPPEN & CO.
ERIC D. B. KIPPEN - BEVIL GRANVILLE
WALTER DOWNES
Effective Dec. 2nd, 1935
204 HOSPITAL ST. • MONTREAL

WE ANNOUNCE
THE FORMATION AS OF DEC. 2, 1935,
IN PARTNERSHIP OF
GRANVILLE & CO.
BEVIL GRANVILLE - NORMAN STAVERT
Successors the Stockbroking Business of
Kippen & Co.
MR. FRANK EVERITT AND MR. R. H. BUDDEN
will continue association with the firm.
OFFICES: 204 HOSPITAL ST.
MArquette 4141

ERIC D. B. KIPPEN • WALTER DOWNES
ANNOUNCE THAT
KIPPEN & COMPANY
INCORPORATED
Continues in business as heretofore
and since 1922.
INVESTMENT SECURITIES
204 HOSPITAL ST., MONTREAL - BElair 2646

Bond Markets

Selection of Bonds Suggested

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Municipal Credit and Mayors

Announcement of the British loan for £2¼ billions did not even flutter the Canadian bond market, one important reason being that British money is not coming into Canadian bonds at present. Prices of government, municipal and corporation bonds have been steady but lacking in either activity or sensations.

Cessation of U. S. government spending, and reduced government financing, should tend to strengthen bond prices there. It should be helpful to Canadian bond prices too, because U. S. funds are a support in our markets.

When the year's records are compiled, it will be noted that bond defaults have practically ceased in Canada.

Amicable settlement of the Hydro contract dispute is entirely possbile.

Preferences in Bonds

A CANADIAN life insurance executive who thinks highly of corporation bonds gives his reasons as follows:

> "I would rather trust my money to a reliable board of directors with an interest in the business, overseeing a capable management, and checked by a body of shareholders looking for returns on their money or wanting to know the reason why, than to some governments and many municipalities."

Opinionating on bond investments, McLeod, Young, Weir & Co., investment firm, says purchases should be confined to: (1) high-grade government and municipal bonds, not over 15 years; (2) first mortgage bonds of corporations that have survived the depression; (3) lower-coupon, discount bonds of certain western provinces; (4) semi-speculative, low-priced corporate and municipal bonds where there are good prospects of sharing in recovery.

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Western Bonds

WESTERN provincial bonds are discussed on page 3. The investor might note for consideration the trading of high-coupon Western provincial bonds for low-coupon bonds that are selling at a discount. In case of debt adjustment, the low-coupon bonds might benefit most. Also, although Alberta has a Social Credit government and a huge deficit, its bonds are much the lowest in price. If, as and when the impossibility of "social credit" is realized, and provincial finances repaired, Alberta issues may return profits from present levels.

• • •

New Offerings

REDEMPTION of some $24 millions of C. N. R. bonds in New York has been arranged by another temporary credit of $20 millions at ¾ per cent. This makes some $40 millions of short-term C. N. R. debt that matures in New York on Feb. 1, 1936. Shortly before that time a funding issue is expected in New York. Hiram Walker-G. & W. issue of $8 millions of 4¼ per cent debentures is being offered in New York this week. There has been unconfirmed talk of borrowing by Dominion Foundries & Steel Co. The Canada Packers issue now seems definitely deferred until 1936. Newfoundland Power will be in the market soon to refund at a reduced rate. Numerous utilities will be reducing fixed charges by the refunding process next year. Bond dealers are chasing all the refinancing business they can get because genuine new borrowing is practically non-existent.

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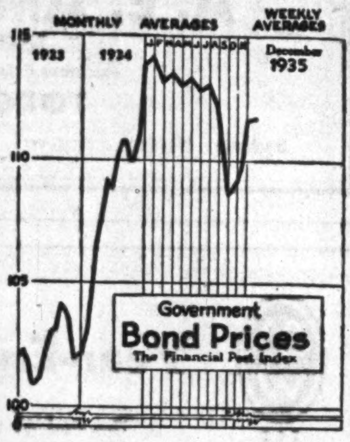
Credit in Britain

CROMPTON BROWN, secretary-manager for The Associated Property Owners of Vancouver, points out to The Financial Post that his association is objecting to the proposed construction of a new city hall in Vancouver. Apart from objections on grounds of economy, he cites the adverse effect of the spending on the city's credit. In support of this he quotes John Davidson, managing-director of the British Empire Trust Co. and chairman of the protective committee for British holders of Vancouver bonds. Mr. Davidson writes:

> "It seems to us at least astonishing that your civic administration should be attempting to increase its total public debt, while professing at the same time to find it impossible to continue to pay interest on existing obligations."



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Mayors' Problems

CONFERENCE of important Canadian mayors at Montreal opens Dec. 7. Among resolutions proposed for consideration is one that the Dominion arrange to allow any municipality to retire and refund any debenture on six months' notice. This vague proposal of carte blanche is criticized keenly by investment dealers who see in it the ruination of municipal credit. It is suggested that a municipality ought not to be able to do what a corporation cannot do. That is, if bonds are redeemed before maturity a premium, or some other compensation should be paid to the bondholder. Also, if corporation procedure were followed, municipalities would not be able—with disregard of their financial condition—to compel bondholders to take reduced interest rates.

Mayors' conferences have been notable recently for the dangerous and damaging nature of some of the proposals made. The present conference would be well advised to avoid resolutions that may do no good but which are sure to add to damage to Canadian credit. Only the wilfully blind will deny that some debt adjustment and refunding may eventually be unavoidable in Canada. The correct manner of doing it, however, is not by approval of haphazard suggestions of a repudiatory character.

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Prices Firm

PRICES for government bonds have maintained recent gains. Western provincials lost fractions in the week ended Dec. 3, but some Alberta bonds dropped a full point. Corporation bonds have been firm, except for minor recessions in Quebec power bonds concerned with Ontario Hydro. The trend of the gilt-edged market is indicated below:

The Financial Post Average Yield and Price for Seven High Grade Bonds

1935	Yield %	Price $	1934	Yield %	Price $
Dec. 3	3.603	111.61	Dec. 3	3.621	112.27
Dec. 2	3.604	111.59	Dec. 1	3.621	112.27
Nov. 30	3.607	111.55	Nov. 30	3.621	112.27
Nov. 29	3.607	111.55	Nov. 29	3.629	112.18
Nov. 28	3.593	111.71	Nov. 28	3.674	111.74
Nov. 27	3.610	111.53	Nov. 27	3.687	111.62
Nov. 26	3.624	111.38	Nov. 26	3.690	111.59
Nov. 25	3.627	111.32	Nov. 24	3.696	111.54
Oct. 31	3.700	110.62	Oct. 31	3.807	110.30
Year's	3.367	114.97	Year's	3.373	115.00
Range	4.097	106.57	Range	4.517	102.54

Can. Wirebound Pays 25 Cents on Class A Stock

Canadian Wirebound Boxes is paying a dividend of 25 cents a share on the class A stock on Jan. 2, 1936, to shareholders of record Dec. 16. Arrears will stand at $3.12½ a share after payment of the Jan. 2 dividend.

BOND INTEREST DEFAULT LIKELY BY FIRSTBROOK

Sale of Company to Gair Interests Rendered Void By Courts

Proposal for the sale of Firstbrook Boxes Ltd. to Gair Co. of Canada is at a standstill as a result of the decision of the Court of Appeal that the voting trustees for the common shares have no right to vote the sale of the company.

Approval by bondholders of the offer to exchange their first mortgage bonds for income notes of Robert Gair Co. Inc. has been rendered ineffectual by the decision of the court. The offer of Gair Co. of Canada was contingent upon approval by shareholders of the sale proposal.

Common shares, however, are held in a voting trust until such time as the bond interest is paid in full. In the underlying agreement drawn up at the time the company was reorganized in 1932 no provision was made whereby a sale of the property could be effected. The voting trustees applied to the courts for a ruling.

Decision has been handed down that neither the voting trustees nor the holders of the voting trust certificates have the right to vote the sale of the property.

Next Step Not Known

What steps will now be taken by the Gair interests is not known. At the recent meeting of bondholders it was stated that if the offer of Gair Co. of Canada was not accepted, Robert Gair Co. Inc. would withdraw from the company.

This, it was stated, would be disastrous to Firstbrook Boxes since considerable business had been obtained through the efforts of Gair Co. It would also mean the withdrawal of a number of important machines which are on loan to Firstbrook Boxes. In addition the company would lose the benefit of the technical advice and experience of Robert Gair Inc.

May Default Interest

It is probable that Firstbrook Boxes will default bond interest due December 15 next. Deferred interest of over $90,000 falls due on that date. Under the reorganization plan of 1932 the company has deferred bond interest during the past three years. This must be paid on Dec. 15 or default will occur.

In discussing with The Financial Post the possibility of interest being paid one director of the company pointed out that this would necessitate a large bank loan. This, he said, could not be obtained without the guarantee of Robert Gair Co. Inc. Cash on hand at Oct. 31 last amounted to only $1,450.

While bond interest has been more than earned during the current year, only a very slight improvement has been shown in the company's cash position. Bank loans, however, have been reduced from $20,000 at Dec. 31, 1934, to $6,731 at Oct. 31 last. Accounts receivable increased from $84,903 to $124,775.

In case of default it is possible that the company will go into receivership. In that event bondholders will be in a position to accept any offer that Gair Co. of Canada may make.

French Firm Expands

T. C. W. CARLYON

Appointed to head English Department established by Bruno Jeannotte Ltée., Montreal investment dealers.

SASK. REFUNDING WAITS CONFERENCE

Province to Defer Efforts Pending Federal Meeting

From Our Own Correspondent

REGINA. — The Saskatchewan Government has ceased to seek further refunding loans. It had intended seeking approximately $5 millions to cover maturities falling due in Feb. and May of next year.

Indications now are the matter will be discussed with federal authorities at the Dominion-provincial conference to be held early in December.

Alberta too will make some presentations. R. J. Magor in presenting an interim report to Premier Aberhart on Alberta's finances said that, by various means, refunding and obtaining concessions from the federal government on relief expenses, it would be possible to cut a $9 millions deficit to approximately $900,000.

Saskatchewan, feeling it would be a good time to place its representations before the federal government, has apparently decided to wait and see what happens in Alberta's case. In the event of Alberta obtaining concessions, Manitoba and Saskatchewan will also look for a share.

The three maturities Saskatchewan would have to finance in 1936 are one on Feb. 1, $3 millions at six per cent; two on May 1, $1.2 millions at 4½ per cent and $739,000 at 4½ per cent. These loans covered farm loans, cancer commission, power commission, public buildings and others.

Bond Tenders

1 p.m., Dec. 7, Grand Calumet Island, School Mun., Que.—$8,000 4½ per cent bonds maturing from Sept. 1, 1936, to Sept. 1, 1943. H. A. Cahill, sec.-treas., Dunraven P.O., Calumet Island, Que.

3 p.m., Dec. 6, New Brunswick—$2,750,000 3¼ per cent sinking fund debentures dated Dec. 16, due in 10 or 15 years. Provincial Treasurer, Fredericton, N.B. (See announcement on page 14).

BOND SALES LOWER FOR FIRST 11 MOS.

November Sales Show Gain Over 1934—Total $122 Millions

Bond sales in Canada for November show a sharp increase over the corresponding month of 1934, according to a compilation by the Dominion Securities Corp., Toronto. Sales for the month totalled $122 millions against $55 millions in November, 1934.

The Dominion government leads the list with $75 millions. The provincial governments are second with $40 millions. Issues by Lower St. Lawrence Power Co., Canadian Utilities and Maritime Telegraph and Telephone pushed the public utility total for the month to $5.3 millions, a higher figure than for the entire preceding ten months. Municipal issues totalled $631,000 and miscellaneous and industrial $525,000.

Sales in the first 11 months of the year totalled $433 millions. This represents a decrease of about $100 millions from the total for the corresponding 1934 period.

A comparison of sales by groups follows:

Bond Sales to Nov. 26

(000's omitted)	1935 $	1934 $
Dominion of Canada ..	213,737	348,666
Provincials	106,157	119,434
Municipals	27,562	22,594
Public utilities	9,788	28,427
Railroads	48,400	12,000
Miscellaneous and industrial	25,788	6,131
	433,433	537,253

Riverside Silk Mills Still Pays 50c Quarterly

Riverside Silk Mills Ltd. continues to pay 50 cents quarterly in dividends, thus keeping arrears down to $1.75 a share on the Class A stock.

A dividend of 25 cents a share on arrears, and 25 cents current, has been declared payable Jan. 2, 1936, to shareholders of record Dec. 14, 1935.

NFLD. POWER CO. PLANS TO ISSUE REFUNDING LOAN

First Mortgage Series "A" Bonds Called for January 1

From Our Own Correspondent

MONTREAL. — Newfoundland Light and Power Co., controlled by International Power Co., has called for redemption on January 1 next, all of its outstanding 6½ per cent first mortgage series A bonds at the call price of 105.

At the end of last year the company had outstanding $1,257,500 of the series A bonds, compared with the original issue of $1,400,000.

In addition to the series A bonds, Newfoundland Light and Power has issued $791,500 of 5½ per cent series first mortgage bonds and $464,000 of 7 per cent mortgage debentures. As far as can be learned, the company has no intention at the moment of calling the junior issues.

New Financing Shortly

Refunding operations will likely be carried out by Royal Securities Corp., some time toward the end of this month. The Royal Securities handled the original financing in February, 1924.

Few particulars are available regarding the finance of Newfoundland Power. In 1934 the company reported gross earnings of $577,593. This was the largest ever reported by the company. No breakdown of this figure is available for 1934, but in 1933 the company had available for bond interest, $164,645, which was equivalent to 2.04 times interest, including exchange, on the first mortgage bonds.

Heads Maritime Trade Board

Dr. A. J. Clarke, of Charlottetown, P.E.I., has been elected president of the Maritime Board of Trade.

WESTON BONDHOLDERS ORGANIZE COMMITTEE

Action Taken to Protect Interests of Debenture Holders

Announcement has been made of the formation of a bondholders' protective committee for the town of Weston, Ont. This action has been taken in order to protect the interests of debenture holders.

With fiscal agents of the town preparing a plan to adjust its finances it is essential that debenture holders be in a position to make effective representation, the official announcement states.

Weston defaulted upon payment of debenture principal maturing June 30, 1934. On Feb. 16, 1935, the town was placed under the supervision of the Ontario Department of Municipal Affairs and the payment of debenture interest was reduced to a partial payment of three per cent on account. This rate has been continued to date.

Debenture holders are being asked to deposit their debentures with the depositary, the Canada Permanent Trust Co., in order that the committee will be able to operate effectively.

Members of the committee are: W. A. Dyment, G. F. McKitterick, Thomas McQuillan, A. T. Seedhouse, Toronto; W. E. Robinson, London. A. W. Nursey, 253 Bay Street, Toronto, is secretary to the committee.

N. S. Exhibition Bonds Are Publicly Offered

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson & Co., and Griffis, Fairclough, and Norsworthy Ltd., are making a joint offering of $184,000 3½ per cent bonds of the Nova Scotia Provincial Exhibition Commission. The bonds mature serially from 1937 to 1960, and are offered at prices ranging from 99¾ to 102, depending upon maturities.

TRUST AND LOAN ANNOUNCES CALL ON JUNIOR STOCK

Will Use Proceeds to Pay Off Debentures—Change Capital Structure

From Our Own Correspondent

MONTREAL.—Board of Directors of the Trust and Loan Co. of Canada, in London have passed a resolution making a call on the shareholders of two shillings and sixpence per share in respect of the amount unpaid on their shares.

The capital thus realized by the company will be used for the purpose of paying off debenture stock and debentures of the company.

The call is payable in London on February 25, 1936.

It is the intention of the Board to submit a proposal to the shareholders providing for the division of each of the £2 shares which, after payment of the call has been made, will be 22 shillings and 6 pence paid, into one preferred share of £1 (fully paid) and one common share of £1 (2 shillings and 6 pence paid).

The preferred shareholders will be entitled to a dividend, non-cumulative, of 5 per cent per annum.

Granville & Co. Enters Montreal Brokerage Field

From Our Own Correspondent

MONTREAL. — Announcement is made of the formation of Granville & Co. to take over the stock brokerage business formerly conducted by Kippen & Co. Partners in the new firm are Bevil Granville, a partner of Kippen & Co. since 1931, and Norman Stavert, office manager of the same firm for the past several years.

Kippen & Co. will continue in business, confining its activities to investment securities and unlisted stocks.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Int. P. & P. Nfld.	4½%	1948	Jan. 15	100
Riordon P. & P.	6%	1942	Dec. 21	a105
Acadia Sugar ..	6%	1946	Jan. 1	103
Matapedia Val. L. & Pr.	6½%	1944	Feb. 3	102½
Ham. By-Prod..	7%	1943	Feb. 1	102
Mt. Royal Tunnel	5%	1970	Apr. 15	100
Colon'l Wire Mfg.	6%	1945	Jan. 2	105
Can. Rolling Mills	6%	1938	Jan. 2	*102½
Wood, Alex. & J.	a6%	1944	Jan. 3	103
Eaton Realty	5%	1949	Feb. 1	100
Maritime Tel. ...	6%	1941	Jan. 1	110
Nfld. L. & Pr. ..	6½%	1949	Jan. 1	105

For sinking fund: a$74,000. a$12,000.

*Together with interest at 7 per cent per annum from date of last coupon.

Stock Issues:	Rate	Stock	Date	Price
Can. Dredge & D.	7%	Pref.	Jan. 31	107½
Can. Packers ...	7%	Pref.	Jan. 1	110

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Sillery, Que.	Nov.	Dube, Leblond & Co.	4%	1936-53	$41,500	96.03	.....
Ottawa	Dec. 3	Wood, Gundy & Co. and syndicate	2½%	10-15-ins.	1,820,000	99.635	2.57%
			3%	20-ins.		99.538	3.05%
Nova Scotia Provincial Exhibition Comm.	Nov.	Nesbitt, Thomson & Co., Griffis, Fairclough & Norsworthy	3½%	1-24-yr.	182,000	99.10	3.58%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Crown Cork & Seal Co.	Nov.	Greenshields & Co.	....	....	30,000 shs.	$12	.....

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DREAMERS . . . . .

WHO PUT THEIR DREAMS INTO ACTION

DREAMS! All business is built on dreams! Throughout the Dominion, thousands of men and women are dreaming dreams — seeing visions — of comfort, security or pleasure. Some dream of a home of their own; some of a modern refrigerator or range; others of a suite of furniture; still others of an automobile, or any one of the multitude of products by which life for them can be made fuller, richer, more enjoyable.

. . . .

TO REACH THOSE DREAMERS who are capable of turning their dreams into action is the aim of every manufacturer. And that is where the national magazine becomes a logical and potent medium for the expansion of sales. For the magazine is read and enjoyed in the leisure hours of its readers who invariably constitute the members of the entire family. Therefore, advertisements in it make a deeper impression, elicit more response, as proved by the willingness of magazine readers to send for at their own expense and pay for booklets offered in coupon advertisements. And in addition to this responsiveness is the biggest body of purchasing power in Canada. Magazine readers, when prompted by good advertising in their favorite magazine, are able and willing to back up their interest by purchasing the product advertised.

CONSIDER these examples of the selective nature of magazine circulation:

IN TORONTO
National Magazines with a circulation of 108,895
reach
46.82% in high purchasing power homes
34.27% in good purchasing power homes
10.41% in low purchasing power homes
8.50% in the business section

IN LONDON
National Magazines with a circulation of 14,673
reach
30.37% in high purchasing power homes
42.12% in good purchasing power homes
15.69% in low purchasing power homes
11.82% in the business section

AND SO IT GOES. In city, town or village throughout Canada, the national magazine gives you the cream of the market. It provides, as no other medium does, full inexpensive coverage of the "able to buy" homes of Canada—the people who make money and are not afraid to spend it—the "dreamers who put their dreams into action."

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TORONTO, DECEMBER 7, 1935

"Furtive" Negotiations?

DISCUSSION has arisen in the United States as to how the terms of the Canada-U.S. trade pact were reached.

Raymond Moley complains bitterly in his weekly journal, Today, about the "furtive character of the negotiations" and claims the secrecy with which negotiations were conducted is "one of the most unhappy aspects of our reciprocal treaty policy as now being administered."

On the other hand, Secretary of State Cordell Hull, in a widely-publicized statement following the treaty, claims:

> "The methods employed in formulating agreements and the conduct of the programme are open, careful and thorough. In the case of each agreement hearings are given to all interested persons. Invitations are submitted to all to submit data and arguments concerning every tariff item in question."

Mr. Hull is not wholly frank in his statement. True, an opportunity was given to interested parties to present their brief before officials charged with administering the reciprocity act but as Raymond Moley points out:

> "Such hearings as are held do not permit interested parties to speak of the specific subjects that are under negotiation. All that an interested person can do is to speak generally about trade with the country with whom our government is negotiating a treaty. He cannot know that a particular product is likely to be one of the articles covered by the treaty. He is in the position of a lawyer called on to defend a client who has not been named in the indictment."

In Canada, no public hearings were held prior to the agreement and many Canadian manufacturers learned for the first time that their own business had been affected, when they read newspaper accounts of the pact.

In theory there had been no official opportunity for anyone to present their case in Canada but actually, official bodies representing manufacturers and other interested groups had been closely in touch with the negotiations as carried on by the Bennett government and had made representation and studies to the government based on well-informed views of what was involved. In addition, it is understood the Bennett government also made specific enquiries on its own part among groups likely to be affected by terms of the agreement.

In short, preliminaries leading to the agreement seem to have been, on both sides of the international border, very similar to those which precede annual tariff changes in any Canadian budget. As in the case of tariff changes, their wisdom and equity are probably in direct proportion to the intelligence with which the civil service tackled the job.

Taxes and Living Standards

WHEN the Dominion-Provincial conference meets next week it may be taken for granted that two very positive statements will be made by many of the statesmen present.

> 1. That Canada must not consider any plan to solve the problem of our railway losses if it involves any reduction in the present extravagant and duplicatory railway service that we "enjoy."
>
> 2. That nothing must be done to cut down the authority of any provincial or other government either by way of merger of provincial activities or re-allotment of power between the Dominion and the provinces.

One can make these forecasts with certainty because the pressure to avoid major savings in either of these directions has always been strong and is strong today.

If the facts are faced it has to be admitted that Canadians can afford their present costly transportation services and they can afford their present duplication of governmental activity if they are willing to make the necessary sacrifices in other directions.

Even the most modest head of a household could afford to have two houses for his family to live in if he was willing to let the family do without enough food to eat. He could drive two cars if he was willing to skimp on education and never buy new clothing.

By the same token we can have railway "competition" on the present scale and we can have ten major governments — plus some 4,000 subsidiary ones—if we are willing to suffer a lower standard of living as the price that must be paid.

The tax money to support these unnecessary public extravagances comes out of the family budgets of the Canadian people. It makes it necessary for people to enjoy fewer luxuries and amenities, to eat less nutritious food, to wear poorer clothing, to save less.

If the Canadian people want to spend the money wastefully that is their business. But they ought to know the price. Our public men should be telling them what that price is. Col. Theodore Roosevelt, Jr., told it the other day, when he said of the United States:

> "Every unnecessary political government employee is, so to speak, sitting as an uninvited guest at meals with every family in the United States, eating a part of their food."

No Magic Money

THAT all is not social credit in Alberta is shown by the remarks of Paul L. Farnalls, president of the Alberta Association of Municipal Districts at the recent annual meeting. He stated:

> "There is no doubt much room for improvement in our monetary and financial systems, but we may as well face the fact that there is no magic remedy for our economic ills."

This is not the voice of high finance. It is the clear reasoner of the small municipality speaking. Page Mr. Aberhart.

The Clergy and Industry

RECENTLY one of Toronto's most stimulating clergymen, Rev. W. A. Cameron, was reported in the press as having made a rather remarkable statement. It was about an industry doing business all over the country, with a revenue of $83 millions last year, representing 400 times increase over the previous year. And this industry, said Mr. Cameron, had let out an employee, who, while he was still working for them, had received a wage so low that it would not pay the rent of a humble home for his family.

As an increase of 400 times in a single year must have meant that the firm in question did $208,000 of business one year and $83 millions the next year—an increase that is too preposterous to be considered possible—one must assume that Mr. Cameron was either misinformed or misquoted. The latter is unlikely since a telephone enquiry to Mr. Cameron by The Financial Post brought a reiteration of his statement.

Is it possible too that Mr. Cameron was misinformed or misquoted about the reference to the employee whose wage would not pay the rental of a humble home — which means that he must have been working for less than $25 to $35 a month? If Mr. Cameron has any evidence of such an instance he should not protect the firm in question by anonymity. He should mention its name in public and give the details. This he should do in fairness to decent business, which means in fairness to the vast majority of Canadian industrial concerns. A specific but anonymous reference, such as that of Mr. Cameron, brings all industry under a cloud of suspicion in the same way that distorted evidence before the Stevens Committee did and just as similarly distorted statements in publications like "Social Planning in Canada" do.

Mere bigness is not in itself a crime. In fact, the bigger the business enterprise the more necessary it is for it to be the good neighbor in all its policies. Its actions are the more exposed to view because of its prominence. There is not much wage chiselling by big firms. They cannot afford to indulge in it.

Mr. Cameron will find that industry in general will back him up in ferretting out, exposing and eliminating any examples of predatory or chiselling wage policies. When he finds a damnable condition existing in any industry he is right to drag it into the light as he has tried to do in this case. But simple fairness demands that more evidence be presented.

Tariff Policy in Canada

WHATEVER our widely divergent views on the tariff, and the most fitting use to be made of it as an instrument of national policy, there is in Canada a wide measure of agreement upon two points.

> 1. The first is that there should be some stability in tariffs, not only in the rates, but in the method of their application. Canadians want tariffs, designed after careful study by independent agencies such as the Tariff Board, and imposed by a democratic parliamentary majority. They do not want tariffs created and imposed by officialdom or by orders-in-council.
>
> 2. In the second place, tariff reduction through bi-lateral agreements, particularly through trade treaties between countries of the British Empire, is approved by all but a small minority of people.

Canada cannot do a great deal to turn the world-tide of economic nationalism which is merely the battle of the peace that is more costly than the battle of the war. We could sound the trumpet of free trade indefinitely without bringing down the walls of the world tariff Jericho. But Canada, as one of the British nations, as a friend and neighbor of the United States, as a trader with numerous foreign countries, can serve itself and serve the world by negotiating for trade treaties that definitely do effect tariff reductions by agreement.

Constantly shifting tariff policies are harmful to our domestic and our foreign trade. More stable tariffs are a factor likely to create confidence.

Waterways of Canada

CANADA'S expenditure of almost a billion dollars on waterways and ports has been analyzed by the Dominion Bureau of Statistics. It becomes clear that political pressures have directed the "investment" of much of the money. That we have not got a billion dollar asset for our money seems clear.

The amounts spent on capital account reach $670 millions; the total expenditure, including this figure plus maintenance, operation and subsidies since Confederation, is $989 millions.

This is not all political graft. Canada is a maritime nation and needs efficient harbors. It is blessed with splendid natural inland waterways which required improvement. But there has been little direction in the development. Our waterways have been opened up and improved one by one and not always as part of a broad, general scheme. Much of the investment is deadweight debt with no offsetting asset, such as the two original Welland Canals and the Port Nelson terminals.

Recently all Canada's national ports were put under central control. This leaves a number of other semi-national ports still under independent control. Another anomaly exists in the fact that no less than three governmental departments share in the control and operations of different parts of our waterways system.

Joining the departments of railways, canals and marine under Hon. Clarence D. Howe is a step that may lead to more centralized study and administration of water transportation in Canada. This may provide a barrier to excessive political favoritism in developing harbors, canals and other aids to water transportation.

South African Empire Exhibition

BACKED by the government of the Union of South Africa, an Empire exhibition will be staged in Johannesburg from September 15, 1936, to January 15, 1937. Every part of the British Empire will be represented at the Fair, which coincides with the fiftieth anniversary of the Witwatersrand gold diggings. Keynote of the exposition will be the progress of South Africa and of the Empire over the past fifty years.

The necessity of a good showing by Canada is clearly demonstrated by a glance at the trade figures between the two countries. In the twelve months ended September, 1935, our exports to British South Africa amounted to $12.5 millions, much the largest of those to any part of the Empire except the United Kingdom and Australia. Next to New Zealand, more Canadian manufacturers are selling their wares in South Africa than anywhere else in the world. Canadian imports from South Africa over the same period totalled $4.9 millions, so that we have a favorable trade balance of more than $7.5 millions.

Prospects that the volume of this trade will continue to increase are promising, providing the Canadian government and manufacturers adopt a progressive sales policy. While the white population, mostly English and Dutch, is small, under two millions, the inhabitants are good home-makers and have much the same tastes as we have. Consequently, many of the articles we produce can find a market there. The very fact that population is limited makes South Africa an attractive market; competition from home industry is not large. Industries there are developing, but the market is not sufficiently large to warrant the manufacture of quite a number of lines which are made here and can be sold to advantage there.

South Africa has been termed the most prosperous country in the world today. Government and railway revenues have been rising, farming conditions are good, gold production is at a peak only exceeded in 1933 when a higher grade ore was being treated. Industry in general seems to be at a gratifyingly high level. Thus, when most countries are still struggling to get out of the depression, South Africa presents unusually fine opportunities.

It has been reported that the Canadian grant toward a display at the exhibition amounts to only $35,000. If this is the case, the concern of the British Empire Exhibition Committee, which is managing the fair, is certainly justified. Present indications are that unless further action is taken by the government our showing will be much less creditable than those of other Dominions who have much less at stake.

The probable effects of lack of Canadian participation on an adequate scale are readily visualized. That measure of trade which we now enjoy, chiefly in automobiles, rubber products, grains and farm implements, may quite possibly be seriously cut into by other parts of the empire. And further, additional trade which might have come to Canada will be directed elsewhere.

Sayings of the Week

"Reciprocity your grandma! Tried to pass a Canada dime recently?"—*Franklin P. Adams.*

* * *

"The most effective remedy for tyranny of any kind is publicity; it is a dictator's deadliest foe."—*Col. Frank Knox.*

* * *

"Of all the pestiferous insects that annoy mortal flesh, the educational snob is the most detestable."—*Harold Bell Wright.*

* * *

"Recovery should mean the lessening of governmental aid and the increase of individual effort."—*Edward D. Duffield.*

* * *

"Go full speed ahead. In America there are people who have become millionaires manufacturing hot dogs. We must study America."—*Joseph Stalin.*

* * *

"The theory that the more work one put into a thing the better it would be done was an idea which probably arose from Puritan theology."—*Lord Tweedsmuir.*

* * *

"History does not countenance the legends of the happy and glorious past and social philosophy cannot seriously advocate the return to 'the good old days.'"—*Beni Prasad.*

* * *

"No man whose country has done so much for him as Canada has done for me has any right to boast of the sacrifices he is making for his country."—*Hon. Charles A. Dunning.*

* * *

"The strongest cement yet developed for binding men and women together in peaceful relations is neighborliness. It is the world's most effective social force."—*Ida M. Tarbell.*

* * *

"My country, right or wrong! Could anything put one's country in a worse light than an attempt to justify acts by her rulers that an indignant judge would condemn in a money lender?"—*H. M. Tomlinson.*

* * *

"The creative impulse exists only in individuals, never in committees or groups or governments. It can never be created by compulsion. Its mainspring is the hope of reward, and it is most quickly destroyed by denial of the reward that is justly due."—*P. S. Arkwright.*

The World at Large

French Troubles

Laval Facing Major Financial and Political Outbreaks

By JOHN A. STEVENSON

AT A time when the Italo-Ethiopian conflict has been approaching a climax, the French political situation has been poised in a very delicate position.

Two different and difficult problems, one foreign and the other domestic, have confronted Premier Laval and his ministry, and it has required all his adroitness to extricate himself from some hard corners.

External Trouble

In the field of foreign policy he has been suspected of having promised Mussolini that he would give the latter a free hand in Africa in return for a pledge of active co-operation against Germany. But, when the British Government faced him with the alternative of choosing between the friendship of Britain and that of Italy, he decided that Britain would be a more effective ally. So Laval has ranged himself beside Britain in her efforts to uphold the covenant of the League of Nations.

He is unwilling to countenance military sanctions, but he will go the whole hog in economic and financial sanctions even to the extent of supporting an embargo upon oil exports to Italy. His latest pronouncement on the subject was quite unequivocal, for he declared that, "More than ever co-operation between France and Britain must be close and trustful."

Domestic Crisis

Laval's internal difficulties partly arose from his foreign policy. He himself has only a tiny personal following. The great majority of the Radical Socialist party, led by ex-Premier Herriot, upon whose support the Laval ministry depends, were annoyed at his disposition to fall in with the views of the Rightist elements in France. The latter wanted no interference with Mussolini and were both hostile to Britain and indifferent to the League. But Herriot and his followers are zealous champions of the League, and if Laval had not conformed to their wishes, his Ministry would undoubtedly have fallen.

But even after Laval had come down on the League side of the fence, Herriot had to exert all his influence at a caucus of the Radical Socialist party to induce them to vote for the government at least on the financial issues.

The Laval Ministry's policy of maintaining the gold standard has been attended with increasing difficulties. The financial decrees which enforced cuts in wages and interest rates on bonds are unpopular with a variety of classes. Moreover the cuts, which were put into operation have resulted in shrinking revenues. The receipts have shown a progressive decline being 15.4 per cent, 18 per cent and 22 per cent below the estimates in July, August and September, respectively.

Trade Declines

Both imports and exports continue to fall, industrial production is stagnant, and unemployment is increasing. Nervousness about the future of the franc, which the Socialists and Communists, now working in alliance insist must be devaluated has resulted in a headlong flight of gold from France.

During the week ended Nov. 22, the Bank of France reported a loss of 1,364,000,000 francs ($90,024,000) and the drain for the four weeks ending Nov. 22 was 3,132,000,000 francs. This has brought the Bank's gold reserve to less than 69 million francs and raised the quotation of the U.S. dollar in Paris to 15.19 francs. To check this outflow the Bank of France raised its discount rate twice within a week bringing it up to 5 per cent. While this move has had the effect of slowing down the outflow, it has not been stopped.

Penalized

Now the Socialists and Communists and not a few of the Radical Socialists contend that all the middle and working classes are being penalized by the maintenance of the franc for the benefit of the powerful group of financial and industrial interests which cluster round the Bank of France. They argue that the latter have been giving secret financial backing to the Croix de Feu and other Fascist groups on the understanding that if the Chamber votes for a devaluation of the franc, the Fascist elements, who are armed and have been drilling for a long time, will launch an anti-parliamentary coup.

Herriot, who in 1926 had as premier one painful experience of a monetary panic, does not want to take the sole responsibility of devaluating the franc and precipitating a severe national crisis. So he contrived to bring his party into line behind Laval when the latter faced the Chamber of Deputies on Nov. 28.

Laval, who a few days before had been telling his friends that he would be glad to be defeated, took new courage and, in a series of skillful speeches, put up a strenuous fight as a defender of the franc and also of his foreign policy. On the opening day of the debate he won the first round by securing a vote of confidence by 345 to 225.

Then on the following day he emerged with a reduced majority, 324 to 247, when he made a point-to-point defense of his financial and economic programme and staked the fortunes of his ministry upon a vote of confidence in his plans to save the franc. The Socialist leader, Leon Blum, Paul Reynaud, a former minister of finance, and others, assailed Laval's monetary policy, the economy decrees and the ministry's attitude toward the Fascist organizations. But Herriot and his Radical Socialists stood firm behind the ministry with the reservation that they intended to press for the restorations of cuts amounting to 160 million dollars, which affected small investors and minor officials. Laval publicly thanked Herriot for his support, which alone averted defeat.

Fear Trouble

But if one crisis has been weathered another will loom when the opposition launches a drive for action to suppress the Fascist organizations. Recently three decrees aimed at the latter were passed, but the Leftist parties assert that the government has been lax in enforcing them. On this issue they are likely to be joined by the Radical Socialists, who are very apprehensive of the designs of Col. de la Rocque, the head of the Croix de Feu. So unless the Laval ministry can satisfy its critics that it is determined to defend the parliamentary system against Fascist designs, it may fall and be replaced by a "United Front" ministry composed of Radical Socialists, Socialists and Communists, which would have no alternative but to set about devaluing the franc.

As Others See Us

Billions for White Elephants

Chicago Tribune

A very interesting discussion of the financial aspects of Canada's national railway system has recently been published by the Financial Post. It was provoked by a proposal to improve somewhat the showing that has been made by the railway through writing off a billion dollars in indebtedness of "assets having no value."

The merits of the discussion do not directly concern us, but the predicament of the Canadian people certainly does. With such discussions going on so near home, it seems utterly unbelievable that there should be before congress at the present time a bill providing for the acquisition of all the railways in the United States by the American people; further, that such measure is being supported by an active and growing lobby with offices at Washington. On an equated mileage the people of the United States would be presented with a twenty-billion-dollar white elephant. Canada has been plunged into government ownership of railways, and now a decade later both proponents and opponents of the scheme have agreed to a single epithet, "folly." The Canadian citizens are enjoying no better service, no lower fares, and no lower freight rates. They have incurred an additional public debt of three billions, with forty millions annual deficit to meet from taxation, merely for the privilege of owning a transportation system.

In the Mail

Problems of Provinces

Editor, The Financial Post:

Our Prodigal Son, Pattullo, has started on his Ottawa trip to get more money from the Federal coffers to carry on the profligate process of provincial administration.

Is it not time that the people of Canada took a real tumble to the unbusinesslike and reckless methods of the province? In the last analysis the Dominion is the custodian of the credit of Canada, and until Ottawa takes control of the expenditures of money and credit advanced by them, we are only drifting into a worse and worse position.

The Tolmie Government was bad, but this one is worse. No attempt whatever has been made to cut down our high civil service. Expenditures go on merely with the idea Ottawa cannot afford to see us fall down. If Ottawa extends credits Ottawa should supervise and control expenditures, and insist on balanced budgets.

The Federal government should create a supervising Board of Finance who would carry our expenditures of money and credit advanced by Ottawa.

J. B. MOORE.

Vancouver, B.C.
Nov. 22, 1935.

Fight Against Disease Described in Booklet

Disease has always been man's greatest enemy.

"Man's Fight Against Disease," a booklet published by the Metropolitan Life Insurance Co., treats the subject with a view to showing the public what efforts have been made down through the ages in combating it. The company has gone to considerable trouble to furnish accurate information in brief and to show representative pictures of the persons and incidents in history which figured in this greatest of all fights.

The booklet compares the old methods with the new. It reveals the great distance travelled from the magic practices of early history to the scientific works of today. It points out that prevention of disease as opposed to cure is the thing to be sought. The future, it states, is the ground upon which science is to continue its fight against its enemy, and co-operation from the public must therefore be forthcoming. The booklet will be distributed among school-children.

Wins Cinema Award

Among the ten best amateur movie films of the year, selected by the Amateur Cinema League, is included "Fishers of the Grande Anse," by Leslie P. Thatcher, of Toronto. In all eighteen films received either a ranking among the first ten or honorable mention. Of these, four dealt with Canadian subjects, although only one was done by a Canadian.

Stop Me If You've Heard This One

Some of the things that children innocently say when they attempt to tell Bible stories would be sheer sacrilege if they came from adults. Such, for instance, as the story brought home from Sunday school by the small son of one of the officers of a certain prominent brewing company in London, Ontario.

The boy's father asked casually what the Sunday school lesson had been about.

The boy replied "Oh, they told us about bringing in John Labatt's head on a silver charger."

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Then too, we have found (quite apart from the pleasure of "tea-time"), that it pays us good dividends in a contented cheerfulness which is, after all, a really important part of efficiency."

JOHN A. HUSTON, COMPANY, LIMITED
36-48 CALEDONIA RD.
TORONTO, ONTARIO

ANYTIME IS TEA TIME

FREE DEMONSTRATION

. . . If you will write to The Tea Market Expansion Bureau, Sun Life Building, Montreal, we will gladly arrange to serve a cup of tea anytime during the day to your office or factory staff for one month without cost or obligation to you.

nothing so refreshing as a good cup of TEA

Week in Business

Consumers Play Role in Radio

• • • •

Price Changes Follow U. S. Pact

An informal buyers strike fostered largely by newspaper publicity seems to be the chief villain in this week's lower-radio-price piece.

Last week leading radio manufacturers indicated to The Post that the changes in tariff by reason of the U.S.-Canada trade agreement were of little real benefit; that prices in Canada were based on a domestic cost basis rather than costs-plus-tariff and that it was very unlikely that there would be any change in consumer prices. One manufacturer which imports a much larger proportion of parts than most Canadian radio makers said the changes would mean only about 2 per cent on the cost of radios.

* * * *

But meanwhile Canadian consumers, their appetites for lower radio prices whetted by news stories, and lower prices for automobiles already in effect—decided to be pretty cautious about their Christmas buying. The result—according to some leading distributors—was the special price reduction announcement made in this week's papers. Largest reductions seem to be on the Philco line (Philco has always imported a large volume of parts) and on seven models averages about 7.7 per cent. R. C. A. Victor and C. G. E. announcements are on a par, with an average reduction on 10 models of 4.4 per cent.

One exception to this is a special R. C. A. model formerly priced at $109 which now drops to $84.50 due to a sharp cut in dealer discount. Rogers Majestic prices (not announced at time of going to press) are said to make somewhat smaller changes than those noted above.

* * * *

The best official word-picture of the radio situation for Canadian manufacturers is the following excerpt from one of the price-cut announcements: "R. C. A. Victor radios are manufactured in Canada entirely by Canadian labor and almost entirely from Canadian materials. The cost of the imported parts as compared with total cost is but a small proportion of the finished product. As a consequence the reduced prices anticipate and more than equal any such reductions in costs as will be created by the revised tariffs.

The next question is: What will electrical appliance manufacturers do respecting refrigerators, stoves and other items also mentioned in the trade pact terms?

Business Indicators

Changes of the Week

(Compared with the same period last year)

Favorable:

Employment—See Background of Business (above).

Railway Earnings.

Unfavorable:

Construction—Notable absence of big projects. Nearly half November figure made up of small Ontario awards.

Coal Imports.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest— 1935	1934	—Cumulative Total— Jan. 1 to date 1935	1934
Transportation—				
Car loadings (Nov. 23)	▲48,983	47,748	2,144,830	2,117,302
C.P.R. gross earn. (Nov. 21)	$ 2,705,000	$ 2,616,000	$ 114,445,000	$ 111,503,000
C.N.R. gross earn. (Nov. 21)	$ 3,479,413	$ 3,155,362	$ 153,625,959	$ 147,219,287
Business Conditions—				
Weekly index D.B.S. (Nov. 23)	▲104.2	93.5	......	......
MONTHLY DATA	1935	1934	1935	1934
Business Conditions—				
Financial Post index (Oct.)	106.8	99.0	......	......
Transportation—				
C.P.R. net earnings (Oct.)	$ ▲4,249,343	$ 4,100,679	$ 15,636,102	$ 17,770,787
C.N.R. net revenue (Oct.)	$ ▲3,630,135	$ 2,809,429	$ 9,795,800	$ 9,951,934
Iron and Steel (Oct.)—				
Pig iron production (tons)	45,521	46,573	464,585	325,663
Steel ingots and castings prod. (tons)	95,016	87,975	742,720	643,137
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Oct.)	2,939	1,992	72,422	58,699
Factory output (Oct.)	7,128	2,125	116,289	89,152
Trucks and Buses:				
Domestic sales* (Oct.)	972	710	15,924	10,766
Factory output (Oct.)	1,185	1,655	29,394	23,309
Exports (Oct.)	3,931	3,778	53,416	41,197
Construction—				
Building permits (Oct.)	$ 4,020,308	$ 2,596,024	$ 40,530,687	$ 22,313,170
Contracts awarded (Nov.)	$ ▲8,290,800	$ 10,451,500	$ 155,940,100	$ 119,749,300
Newsprint (tons)—				
Production (Oct.)	266,515	235,021	2,245,703	2,117,228
Exports (Oct.)	240,421	204,904	2,053,207	1,932,918
Sugar (lb.)—				
Melting & shipments§	86,100,288	88,258,195	716,071,482	689,342,405
Manufactured§	129,825,202	126,421,593	754,506,205	713,483,860
Flour (bbls.)—				
Production (Sept.)	1,535,189	1,383,205	9,823,026	10,343,837
Wheat flour exports (Oct.)	501,442	485,549	3,911,861	4,206,597
Trade (October)—				
Imports	$ 52,751,020	$ 47,228,804	$ 455,787,336	$ 424,478,096
Exports	$ 84,952,580	$ 67,747,809	$ 576,759,667	$ 526,912,493
Wheat exports (bush.) (Oct.)	28,919,421	21,807,784	121,553,933	131,806,393
Employment, D.B.S. Index (Nov. 1)—				
All industries	▲107.1	100.2	......	......
Manufacturing	▲103.5	92.8	......	......
Electric Power Output (Oct.)—				
Total monthly (000's omitted)	2,162,569	1,853,226	19,104,570	17,153,078
Aver. daily	69,761,000	59,782,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports, mill (Oct.)	138,118	122,849	1,104,074	1,148,806
Boot & shoe prod., pr. (Sept.)	1,982,451	1,704,677	16,528,838	14,223,517
Crude petrol. imp. gal. (Oct.)	133,728,567	110,637,902	963,751,490	903,500,224
Cotton imports, lb. (Oct.)	10,776,453	9,179,436	84,625,473	106,396,436
Raw rubber imp., lb. (Oct.)	1,819,433	6,816,973	44,611,645	53,808,573
Coal imports, tons (Oct.)	▲1,314,128	1,560,763	10,848,459	11,363,801
Finance—				
Bank debits (Oct.)	$ 52,907,516	$ 3,409,876	$ 25,592,251	$ 26,734,294
Bond sales (Oct.)	$ 65,415,900	$ 271,227,944	$ 723,345,929	$ 600,137,220
Life insurance sales (Oct.)	$ 30,416,000	$ 31,342,000	$ 297,678,000	$ 306,160,000
Automobile Financing—				
Used cars (Oct.)	$ 1,265,339	$ 1,075,877	$ 15,937,554	$ 12,271,446
New cars (Oct.)	$ 1,096,937	$ 930,492	$ 19,882,187	$ 15,271,867

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000s omitted. §For 4 weeks to Nov. 2.

New Industries

Soya Mills Ltd., Stratford, Ont., first noted in The Financial Post, June 29, will be in full operation in about two weeks. The delay was caused by late arrival of machinery from England. (Stratford Beacon-Herald.)

Wilson Box & Lumber Co. Ltd., Saint John, N.B., has completed installation of a new corrugated paper machine at its Fairville plant which eliminates necessity of importing the prepared paper.

London Life Ins. Co., London, Ont., is constructing a workshop in the courtyard at the rear of the main office building. (London Evening Free Press.)

Lobster Storage Plant will be built at Yarmouth, N.S., which will be quite extensive in character with facilities for handling thousands of pounds of live lobsters by the most scientific methods so far devised for keeping them in first-class condition.

Whitehead Metal Products Co. of Canada, Ltd., will be organized as a subsidiary of International Nickel and will manufacture monel metal hot water tanks at Port Colborne, Ont.

Fahralloy Canada Ltd. has been organized to operate in Orillia, Ont., for the production of high chrome nickel steel alloys by the electric-furnace process, under the management of T. G. Beament, formerly with American Manganese Steel Co. and Sorel Steel Foundries Ltd. (Canadian Engineer)

The
Avon River Power Company
Limited

5% First Mortgage Bonds, due 1964
Price: 101 and interest, to yield 4.96%
Information on request

Royal Securities Corporation
Limited

244 St. James Street
Montreal

330 Bay Street
Toronto 2

Offices throughout Canada; also in New York and London.

Background of Business

More Men at Work

Employment Figures at New High—Magazines—Housing

Employment returns continue to indicate continued progress toward recovery in Canada. Latest official figures show more people at work than at any time since December, 1930. Based on the Ottawa "sample" from which Canadian employment returns are compiled, The Post estimates that there were over 150,000 more people at work in Canada on Nov. 1 than there were at the same period a year ago.

The customary trend at the beginning of November is for employment to decline. This year there was a gain for the month of nearly 2½ per cent.

Chief groups to benefit were: logging camps which were 27 per cent busier than the previous month—a gain exceeded only three times in the past fifteen years; highway and building construction; mining; retail trade (despite unseasonably mild weather); and manufacturing. Textile and iron and steel plants were chiefly responsible for the gain in the latter group.

• • •

Pulpies for Canada

Three Canadian publishing houses have kept hundreds of workers busy printing and publishing "pulpies" since the Bennett magazine tariff of 1931. Pulpies are the cheap fiction magazines printed on coarse pulp stock which delight the hearts of "mass" readers who like love, fiction and detective stories for the price of a cup of coffee. Something like 50 separate titles have been printed regularly in Canada since the impost of 1931.

Last week one publisher (Gardenvale Press) announced that despite the wiping out of protection by the U.S. trade pact it had concluded arrangements to continue printing its "line" of pulpies in Canada, though doubtless profit margins will be cut since new resale prices will now be much lower. Perhaps increased sales will offset this.

The other publishers (MacLean Publishing and Southam Press) have not concluded arrangements as yet but are hopeful of retaining this business in Canada. One unfortunate effect of the change is that it may increase circulation in Canada of "borderline" magazines previously kept out by discriminating Canadian publishers.

• • •

Better Classifications

Commenting on the proposed elimination of arbitrary valuation for duty purposes in the U. S. trade pacts, Hardware and Metal urges Canadian custom authorities to see to it that more uniform classification of goods for duty purposes is made.

"Merchandise is often entered through various ports of entry under different classifications. This may be partially the fault of the importer or it may be a wrong classification by the customs officer. It leads to the same merchandise being imported into the country at varying rates which alters laid down costs. It should be possible to establish uniform classifications for any merchandise where there can be any reasonable doubt on that score."

• • •

Piggot House No. 2

Canada's second "prefabricated" house is under way. The Piggot Construction Co. has poured the cement foundation and is now working on the steel frame preparatory to placing the panels. This home, also in Hamilton just a short distance from the first venture, (Fin. Post, Oct. 1), will be constructed on the same general lines as the one now nearing completion. It will have a flat roof, however. The first was built with a conventionally shaped roof for the sake of appearances. Work of the first house is now down to such details as papering the walls and sodding the lawn.

The company reports that enquiries have been received about prefabricated building from many different parts of Canada. Some enquirers request information about agency representation; most, however, are prospective builders and are in search of more definite particulars of the new development.

• • •

Used Car Picture

The used car market in Canada is fairly healthy, according to a survey made by Canadian Automotive Trade. Excerpts follow:

From Saint John, stocks reported as fairly normal. From Quebec City, stocks very heavy, there having been little demand for used cars this year until mid-July. Most Ontario dealers report stocks of used cars lower than at this time last year, with Brantford, for example, recording stocks lower than in many years. Toronto dealers some time ago reported units 14½ per cent less than in 1934 despite an 8¼ per cent gain in new car deliveries. Stocks at Fort William and Port Arthur reported, however, as heavier than in five years. Vancouver reports exceptionally healthy situation with small low priced used cars at a premium.

• • •

Renovation Prospects

That the Hon. Chas. A. Dunning, Minister of Finance, is "aware of the need for renovation and rehabilitation of existing buildings in Canada" is indicated in a letter sent recently to Sanitary Engineer. This paper queried Mr. Dunning regarding the possibilities for the extension of governmental guarantees on loans for modernization of existing buildings in addition to the present plan for loans to new projects.

"Governmental assistance for the renovation of existing buildings," continued Mr. Dunning, "involves not only increasing financial burdens but also difficult problems of administration and I am sure you will not expect me to announce the Government's policy until there [illegible] been ample opportunity of appraising the entire situation."

• • •

Durable Goods Sell

Durable goods volume is rising in Canada. This week Trane Co. of Canada, leading manufacturers of special heating and air conditioning equipment, announced plans to move to the Russell Motor Car Co. building on King W., Toronto, to meet increased demand for the company's products. Present Canadian plant is working double shift to fill orders. The new headquarters will be entirely renovated and air conditioned of course.

Similarly reports from the National Produced-in-Canada show at Montreal state that a feature of their exhibition was the high total of sales of business equipment. This group plans next year to use larger space at the show.

• • •

U. S. on the Job

Prospects of increased business in Canada are already being probed by some U. S. concerns which in pre-depression days enjoyed a fair volume of business here, according to Hardware and Metal. Special representatives of U. S. companies including lines such as children's wheel goods are already in Canada sizing the possibilities and endeavoring to re-open former connections with local distributors.

Some large Canadian buyers of merchandise are said to be using the prospect of new sources of supply as a bargaining lever toward lower prices to be delivered after January 1. In one case, the general advance in price because of higher raw material prices has been held in abeyance due to this competitive factor.

• • •

Customer Dollars

"Some time ago," says Raymond Moley's Today, "we learned the answer to the question, 'When people at last have some more money to spend, what will they buy first?' Automobiles, of course. But what would come next on their shopping list? This item was anybody's guess until very recently.

"What people most want to buy (after cars) is things for the home. For the first time in ten years, the furniture shows provide a 'Sellers'' market. The busiest department in any store is house furnishings. Prices are rising: furniture is up five per cent, furnishings up 10 per cent. And people want better things than they used to —Oriental rugs, for instance, are once more in demand."

• • •

Trade Union Jobless

Unemployment among trade unions in Canada at the beginning of October dropped to the lowest point since the fall of 1930. Figures are compiled from 1,763 organizations involving about 167,000 worker members. Of this total, only 13 per cent were unemployed at the beginning of November compared with 14 per cent the previous month and 16 per cent for the same period in 1934.

Peak of trade union unemployment was at the beginning of 1933 when one out of five members were out of work. The low point for unemployment was the middle of 1929 when but three per cent were jobless.

• • •

New Zealand Market

New Zealand's new labor government will mean no vital change in foreign and Empire trade relationships, the Financial Post is informed. The new labor government is described as decidedly "broad minded." Only three "Social Credit" candidates were successful.

And New Zealand looks like an increasingly good market in which to do business. Economic conditions there during the third quarter were decidedly favorable.

For example, automobile sales (directly affected by the recent treaty amendment with Canada) exceeded expectations in the third quarter and totalled 3,675 units which is exceptional for a winter period. Canadian and U.S. cars secured slightly more than half the business. In the first nine months sales totalled 11,000 units compared with less than 6,000 in the same period of 1934. Truck sales in the same period of 1934 increased 36 per cent. U. S. and Canadian trucks secured 65 per cent of total sales.

• • •

Jittery Alberta

Meanwhile returning travellers report Canada's Social Credit province, Alberta, to be a jittery uncertain market these days. The government has apparently decided definitely to proclaim and enforce the Trade and Industry Control Act and as an initial move announced last week that all retailers and wholesalers were to be licensed.

Apparently among other things the government is trying to elicit support among retailers for a plan whereby they would cut their mark-up by one third in return for a promise of a higher turnover resulting from payment of Social Credit dividends.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.00	$6.25	$5.75
Hogs	8.25	8.65	8.50
Copper, lb.	.09¼	.09¼	.08
Cotton, lb.	.1215	.1225	.1275
Rubber, lb.	.1322	.1306	.1305
Sugar, raw, lb.	.0340	.0340	.0280
Silk, lb.	2.02	2.06	1.32
Wheat (Man.) bus.	.84⅝	.87⅝	.78¾
Coffee, lb.	.06⅝	.06⅝	.09⅝
Weekly Indices			
N. Y. Annalist	129.4	128.5	116.5
Fishers'	84.5	84.3	79.0
N. Y. Journal of Comm.	81.6	82.1	76.8
Crumps (Brit.)	68.7	68.6	63.9
U. S. Labor	80.4	80.1	76.7
Canada (D.B.S.)	72.9	72.8	71.2
Monthly Indices	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Oct.)	80.4	79.8	79.1
W'sale (Oct.)	73.1	72.3	71.3
U. S. Labor (Sept.)	80.8	80.5	77.6
Gt. Brit. (Oct.)	77.4	75.7	70.5

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price, Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

• • •

Paint Vistas

Tremendous vistas for paint sales were opened recently at the National Paint, Varnish and Lacquer Association in Washington, says Hardware and Metal. Sales volume charts showed paint business in the United States with a volume of $250 millions. Then came the crash, but expectations are for a $400 millions volume in 1936, and that each year following 1936 will see an increase of $125 millions in sales of paint and varnish products until 1940 when a $1 billion peak will have been reached.

• • •

Buy Machinery

Business men are warned to call in their superintendents and foremen and ask them to outline what machinery is needed to modernize their stock and methods in a current issue of Canadian Machinery. The statement is made that British manufacturers of machine tools are working over time with 12-month deliveries becoming fashionable. Fifteen months and even longer is being quoted by some companies. The same indications are seen in the United States.

"There is a very real danger of disappointment and loss if machinery purchases are delayed even a few months," says this paper.

• • •

Drug Group Gains

Sales volume of Drug and Trading Co. increased nine per cent the first six months of 1935, to total $2,140,000 according to W. W. Stevens, managing directors, speaking before shareholders at the company's semi-annual convention in Toronto recently. Drug Merchandising reports this is the first time in the country's history where the $200 millions mark had been exceeded in the first six months. The company has now 955 members and 226 stores.

According to Mr. Stevens "the fight with Pond's is being continued because the commissions given to shareholders were commissions and not discounts or rebates."

• • •

Bookmen Organize

Operations of the revived and reorganized association of Canadian bookmen will begin Jan. 1, 1936, says Bookseller and Stationer. Chief purpose is to stimulate the rapidly growing interest in books and readings in the Canadian public generally and to promote the interest of all branches of the book writing, publishing and selling business. The book trade are hoping this body may bind booksellers more closely together and enable authors, publishers and booksellers to operate in a manner heretofore impossible.

• • •

Sugar Beet Dollars

Sugar beet producers in the Lethbridge district received on November 1 the first payment for this year's crop. This totalled $375,000 representing about 75,000 tons or half the expected total yield.

The total expected yield is some 23,000 tons lower than the bumper crop of last year.

In December and January similar payments will be available.

HOT SHOT
ANTI-FREEZE ALCOHOL
IS MORE THAN JUST ALCOHOL
HOT SHOT spells "fair and warmer" to your radiator when the weather is loudly calling cold and colder.
It made a host of friends last Winter... it is protective as well as efficient... non-corrosive, with retarded evaporation... does not clog, gum up or injure the radiator... economical, too!
For Sale at Garages and Filling Stations
Product of
GOODERHAM & WORTS, LIMITED
Canada's Oldest Distillery Established 1832

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MONTREAL
Private Wire—Halifax to Vancouver, with connections at Saint John, Montreal, Ottawa, Toronto, New York, Winnipeg and Calgary.

Correspondents
THE KENTERNE TRUST LIMITED
London, Eng.
MANNING & CO. LIMITED
Barbados, B.W.I.
AGOSTINI BROS.
Trinidad, B.W.I.
JOHNSON & COOPER
Bermuda

Branches
VANCOUVER
Royal Bank Bldg.
TORONTO
80 King St. West
OTTAWA
140 Wellington St.
QUEBEC
65 St. Anne Street
SAINT JOHN
20 King Street
MONCTON
Lounsbury Building
HALIFAX
157 Hollis Street

YOU Share in
Canada's Greatest
Co-operative Business

LIFE INSURANCE is the greatest co-operative business in Canada. As a policyholder, YOU are associated with more than 3,500,000 other Canadians in this great enterprise.

Every business day last year Life Insurance Companies in Canada distributed, to Canadian policyholders and beneficiaries, over Half a Million Dollars.

Life Insurance enables YOU to provide real financial security for yourself and family. It also benefits the country as a whole through the investment of Life Insurance funds in important public enterprises.

Life Insurance dollars give employment to workers throughout the Dominion. Transportation facilities are extended, highways built, streets paved, schools erected, water, sewage and other necessary works constructed. Life Insurance dollars help to finance the farmer, and bring business to the general store and country merchant.

In the past five years of business depression, Canadian policyholders and beneficiaries received Eight Hundred Million Dollars in payments from their Life Insurance funds. Life Insurance Companies have fulfilled every obligation one hundred cents on the dollar.

As a policyholder, YOU can take justifiable pride in sharing in this, the greatest co-operative business in Canada.

L-125X

Life Insurance
Guardian of Canadian Homes

BANK OF MONTREAL

Annual General Meeting Held 2nd December, 1935

The 118th Annual General Meeting of the Shareholders of the Bank of Montreal was held in the Board Room at the Bank's Headquarters.

On the motion of Mr. H. R. Drummond, Sir Charles Gordon, G.B.E., was requested to take the chair.

THE PRESIDENT'S ADDRESS

Sir Charles Gordon, President, in addressing the shareholders, said in part:

Gentlemen,—You have before you the report of the Directors of your Bank, together with the general statement and statement of the profit and loss account for the fiscal year ending October 31st. I trust that the results of the year's operations will be deemed satisfactory, having in view the extraordinary conditions affecting the banking business in Canada during the past year. The profits for the year have proved sufficient to provide for payment of dividends on the reduced scale which has prevailed for some time past, but the margin has been a small one. The earnings of your Bank are now feeling the effect of the transfer to the Bank of Canada of functions which our commercial banks formerly exercised, and they also are being influenced by the lower rate of interest obtainable upon investment in high-grade securities in which your Bank has had to employ an increasingly larger proportion of its assets owing to lack of demand for commercial loans. This latter consideration has resulted in our presenting to you a balance sheet of unusual strength in which there is maintained, in perhaps greater degree than we would have liked, the traditionally strong liquid position of your Bank.

TRADE AND INDUSTRY

The year under review was not marked by events of high importance in the realm of commerce at home or abroad. Progress in trade recovery in Canada continued but in less definite degree than in 1934 and in a general way it can be said that the gains of that period were consolidated, in some instances enlarged.

The foreign trade of Canada has made a striking recovery from the low point reached in March, 1933. In the twelve months to October 31st last this commerce had a value of $1,258,000,000 compared with $903,000,000 in the corresponding period of 1933, an increase of $355,000,000 in the short space of two years.

Before leaving the subject of domestic trade, I may be permitted to say that, while business has been going forward in Canada, it has done so in the face of disquieting and disturbing political tendencies, and the use which it will be able to make of future opportunities will depend very largely upon its freedom from bureaucratic interference and wholly unnecessary restrictions. I hold no brief for those who may engage in unethical commercial practices and have no inclination to defend them, but they cannot represent more than a fractional minority and it would be a grave injustice if Canadian business as a whole, which has earned a high reputation over a long period of years, should be penalized for the offences of a few.

INTEREST RATES AND TAXATION

During recent months we have heard a good deal about capitalists and capitalism, and capitalism has been subjected to a great deal of criticism. I have always been at a loss to know just what a capitalist is. To my mind, any person who has been wise enough to save a little money to tide him over a period of illness or emergency must be reckoned as a capitalist, as for the time being he must live on his capital. I do not think we want to do anything to discourage thrift and I was sorry to see the interest on bank deposits cut from three per cent to two. This, however, was rendered necessary by the pressure of the Government and the Central Bank for lower rates on Government loans. As a matter of fact, the Dominion of Canada has been borrowing money in some cases at rates which stand comparison with the rates at which the British Government has been borrowing in London. These low rates have resulted in a drastic cutting down of the earnings of the chartered banks, which have been forced to reduce their rates to depositors. Based on the results of the Bank of Montreal, it means that the depositors in all Canadian banks are receiving some $17,000,000 less per annum than they did when the rate was three per cent. In a sense this reduction may be regarded as a form of concealed taxation. I think that the sooner the public is educated to these facts, the better. Every man and woman should realize that no matter whether taxes are paid directly or not, no citizen escapes paying his share of the cost of government. It comes through such hidden taxes as a reduction in Savings Bank interest, or it may be buried in every purchase, made for day-to-day living requirements.

AGRICULTURE

The harvest in Canada exceeded that of 1934, and, taken as a whole, prices of field and farm products have been higher. The yield of wheat, 274,000,000 bushels, of which 256,000,000 were garnered in the Prairie Provinces, was again much below average, and no less than 60,000,000 bushels were so injured by rust and frost as to be unfit for milling purposes. The yield of oats, barley and rye was much heavier than in 1934; there was an increase of 26% in the production of hay and clover, assuring an abundance of fodder for the coming winter; an average fruit crop was gathered. Generally the lot of farmers is better and in this connection it is gratifying to note that the disparity between the selling prices of the farmer's products and the cost of commodities which he is obliged to purchase is not now such a serious handicap as formerly. The gap, which on the basis of 1926 prices was as great as 56% during the worst of the depression in 1933, has been reduced to 12% or thereabouts; that is to say, the agriculturist is still at a 12% disadvantage when compared with his position in 1926 but is very much better off than he was two years ago. He is getting more for his products, and his purchasing power and ability to meet his overhead expenses are proportionately greater.

As the year 1932 was made memorable by the Empire Trade Agreements, so 1935 is signalized by a trade agreement with the United States. It well may be that an assurance of tariff stability in the commerce of the two countries during this period will prove not the least advantage to be derived. Certainly, enlarged commercial intercourse with all countries is much to be desired always provided the intercourse rests on fair and mutually advantageous terms, as I am disposed to believe does the agreement recently concluded with the United States.

In the United States the trend of business during the past year for the most part has been hesitatingly upward, although the movement would seem to have gathered decided momentum in recent months. Undoubtedly there has been a noticeable improvement in business sentiment, particularly since the decision adverse to the N.R.A. was rendered by the Supreme Court in May last. Nevertheless, an unusually protracted session of Congress and the advent of much new legislation, the merits of which are still in dispute, have served to retard somewhat that complete return of confidence which would have been so beneficial to business recovery.

ECONOMIC SITUATION IN CANADA

Now, gentlemen, let us look at some of the underlying factors in the economic situation in Canada. Will you pardon me if I refer to the fact that we had a general election on October 14th? That election, as you know, was the occasion of a surprisingly strong expression of public opinion — surprising to every party and to every individual. Its results have a profound bearing on our economic problems, and I may say at once, quite frankly, that the general reaction, both in this country and abroad, has been most favourable.

The reasons for this favourable reaction are well founded. You may recall that last year I mentioned that one of the steadying influences at that time was the fact that this country had not undertaken any radical social or economic experiments. In the interval that has elapsed, however, public opinion has been greatly disturbed by the advocacy of many such measures by many cliques and factions, and undoubtedly the progress of our recovery was retarded by this development. Most fortunately for Canada, socialist propaganda, in whatever form it appeared, was utterly repudiated at the polls by an immense majority of the people, who showed in unmistakable fashion their adherence to the two-party system which has served us so well in the past, and their distrust of individuals or of parties who sought to capitalize on the distress incident to the times by agitating for the establishment of some visionary new order of society in which both the business of the country and the lives of the people would be regimented by the State. I rank this emphatic repudiation of fantastic nostrums and Utopian experiments as the most important development in Canada since the Ottawa Agreements, and through the connections which your Bank has in other countries I am in a position to say that it has immensely enhanced the prestige of the Dominion abroad.

A second reason for the favourable reaction to the results of the election is the fact that the Government which has succeeded to power has such a majority as will make it independent of any interests seeking to hold the balance of power between the Government and the official Opposition. Taken together, these two developments have had an incalculable effect on the restoration of confidence in the immediate outlook and in the ultimate destiny of this great Dominion.

Personally, I look with hope to the new Government to justify this confidence. Certainly, no Government since Confederation has been placed in such a strong position as the present Government to carry through such measures as are plainly indicated to be necessary to the well-being of this country.

CANADA'S MAJOR PROBLEMS

I think you will agree with me that there is no gainsaying the fact that all the most important problems with which the old Government was faced remain to be dealt with by the new Government. These problems, to mention a few of them, are: the railway problem, with which is bound up the imperative necessity of balancing our national budget; unemployment, which involves the necessity of relieving our provinces and our municipalities of undue burdens of relief; the wheat situation, which would have been more serious had there been a normal crop; and the newsprint situation, which is causing the depletion of our national resources without compensating revenue to our provincial and federal treasuries.

These are the major problems that confront the Government and the country, if they are attacked boldly and wisely, most of our other problems will automatically disappear. What the people of this country want to know in respect to these major problems is not what CAN NOT be done, but what CAN be done.

Take, first, the question of our railways. We have been surfeited with arguments as to what cannot be done to remedy the ruinous situation that exists with regard to them, and yet the Canadian National Railways is still allowed to plunge us into debt. During the past ten years the guaranteed debt of the Canadian National Railways has increased $405,000,000, grants to cover deficits have amounted to $153,000,000, while unpaid interest upon loans from the Dominion Government has increased $329,000,000, an aggregate addition of $887,000,000 to the direct and indirect debt of the Dominion. Moreover, I am credibly informed that adequate provision is not being made for depreciation and that this will eventually mean further large expenditures.

The Canadian Pacific Railway, which is one of the great transportation systems of the world, formerly paid its common and preferred shareholders each year about $40,000,000, which, by the way, was a very moderate interest on their investment. These payments have been discontinued, due partly to business conditions but also to the fact that the system has been competing with a railway which is receiving money from the Federal treasury in generous sums that, by an easy process of book-keeping, are added to the Federal debt. The Canadian Pacific does earn its bond interest and pay its taxes, and therefore is an asset and not a liability to the country. If the Canadian Pacific were earning and paying the dividends that it formerly paid, it would be contributing, in addition to the taxes it now pays, an annual income tax to the Federal Government of about $6,000,000, and there would be the further income tax to be received from nationals owning the shares.

What can be done, and what must be done, is to put an end to the utterly unwarranted competition and duplication of services by our two great railway systems. In this connection I repeat what I said last year, namely, that railways to-day face extraordinary competition from other means of transportation, and that railways competing against each other in the ruinous way that ours do can never succeed in adopting a common policy to meet these other forms of competition. More than ever it is necessary to co-ordinate all forms of transportation, not by the throttling of competitive systems, but by the elimination of useless competition by means of intelligent direction. A first step is the co-ordination of our railways. A second step is the regulation of all forms of transportation under a Federal Board of Transportation Commissioners vested with powers similar to those of the Board of Railway Commissioners, but on a wider and more comprehensive scale.

In respect to unemployment, still a most serious factor in our situation, the cure of course waits upon a more complete revival in our trade. Meanwhile, I am glad to note that the Government is pledged to vigorous action in respect to the problem of relief with a view to ending the chaotic conditions which are bringing ruin to our provinces and municipalities. Relief, of course, there must be for every person who through no fault of his own is unable to earn a livelihood, but relief must be recognized as a national problem to be dealt with under centralized control.

Our huge carry-over of wheat constitutes another of the problems on which we have been surfeited with arguments as to what cannot be done. There can be no sound basis for prosperity in Western Canada until that problem is solved, nor will recovery in the rest of the Dominion get into its proper stride until then. Many industries depend on the flow of new wealth into this country in exchange for wheat, and part of the set-back of our railways is due to the effect of the stoppage of the wheat traffic in which so much of their expensive equipment was formerly employed. What we have to do is to sell our wheat, not hold it, and sell it within the crop year. There is no other way out. Every day that passes during which we have done no business in the world's wheat market is a day lost for us and a day gained for a competitor who has sold his wheat by reason of the fact that our price has been out of line with world markets. With so many countries now committed to the policy of supplying their own domestic needs and of being independent as far as possible in the matter of food, we are left with practically only one important market, namely, that of Great Britain. This is the market to cultivate and not to throttle.

There has been a slight change for the better in the pulp and paper situation, inasmuch as the newsprint tonnage which the mills have been able to secure has increased considerably. Taken as a whole, however, the situation is very disappointing. Here we have one of our great natural resources in the shape of our forests being depleted at a rapid rate for the benefit of newspapers in North America and other parts of the world who desire to secure their newsprint at less than cost. The capital invested in the paper business in Canada is estimated at about $555,000,000, and we may assume that this takes only bonds and preferred stock into account, excluding the common stock, as no doubt much of it was water in the first place. It would be fair to suppose, therefore, that under normal conditions this huge investment should bring in, in the way of interest on bonds and dividends on preferred stock, some $25,000,000 per annum. Instead, however, of producing a sum approximating this, the industry shows no profit at all, the result being that few, if any, of these companies are making a contribution to the Federal income tax, as companies; and further, people who should be receiving bond interest and dividends are also making no contribution because of the non-receipt of this income. It would be a fair estimate to say that the Federal Government is losing six to seven million dollars a year on this one industry. You may ask why this should go on. It will go on just so long as newspapers can continue to buy their material at less than cost, and our forests will go on disappearing. We are sometimes told that this is a provincial matter. It appears to me to be a federal matter of the greatest importance.

NATIONAL FINANCES

All the matters mentioned lead inevitably to the consideration of our national finances, for if, in dealing with these problems, the line of least resistance is followed by our governmental authorities, then we may expect further increases in our debt and in taxation, and a continuance of deficits in our national budget, with ultimate destruction of the national credit. Our debt has grown at a prodigious rate and there seems to be no end to new borrowings. The bonded indebtedness, direct or indirect, of our Dominion, Provincial and Municipal Governments now amounts to approximately $6,500,000,000. This figure has increased more than $1,500,000,000 during the past five years, that is, at the rate of $300,000,000 per annum. A large part of the total is payable as to principal and interest outside of Canada, which presents an added complication. Indeed, the situation is that we as a nation have to send abroad for interest commitments alone $600,000 every working day of the year. In this respect Canada's position as a debtor is much more complex than either that of the United States or Great Britain, whose government indebtedness is largely to their own nationals.

Closely related to the national finances is the question of provincial and municipal financing. Just as municipal financing has complicated the problems pertaining to provincial treasuries, so has provincial financing complicated the problems pertaining to the national treasury, since the Dominion Government has again and again had to come to the assistance of certain provinces. The situation has become so serious that it is now imperative that some form of control and supervision shall be set up over the financial commitments, both of provinces and of municipalities, since these are no longer of local but of national concern. Not only must the machinery be provided for such control and supervision, but it is most desirable at the same time to have a clear definition of the respective spheres of municipal, provincial and federal taxation. At the present time the utmost confusion prevails in this respect and additional complications are ever arising, with duplication and multiplication of taxation.

In concluding I would like to emphasize the fact that one of the major planks in the platform of the party which has succeeded to power was the definite and emphatic promise to balance the budget. It will be remembered that the balancing of the national budget was laid down as the prerequisite to recovery by the National Government in Great Britain, and it is a matter of common knowledge that not only was this object fulfilled, but that its fulfilment has caused Great Britain to lead the world in the return to prosperity. We are entitled to look for a similar fulfilment of a similar objective by the new Government at Ottawa, and I have no hesitation whatever in saying that with an early achievement of that object, Canada, assuming that no exterior problems arise to complicate her outlook, need be second to no other country in progress and material well-being. (Applause.)

THE GENERAL MANAGERS' ADDRESS

Mr. Jackson Dodds, as Joint General Manager, read the address of the Joint General Managers, which was in part as follows:

Mr. Chairman and Gentlemen:

On behalf of Mr. Bog and myself I have the honour to present to you the 118th annual balance sheet of the Bank.

Important changes in the figures are as follows:

Our total assets amount to $792,800,000, compared with $759,100,000 a year ago.

Quick assets, including cash, total $533,400,000, representing 74.48 per cent. of all liabilities to the public. This percentage is higher than necessary for normal requirements, and is a result of the reduced demand for loans for commercial purposes.

Cash holdings and balance in Bank of Canada at $82,000,000 represent 11.50 per cent. of all liabilities to the public.

Under the terms of the Bank of Canada Act we were compelled to hand over our entire gold holdings in Canada on the opening of that institution. Formal protest was lodged against accepting the statutory value $20.6718 per fine ounce, on the grounds that the gold was held as protection against liabilities and contingencies elsewhere than in Canada, where it had a market value of about $35 per fine ounce. Our protest was in vain and on 11th March last we turned in all our gold held in Canada. By order-in-council dated 29th April it was directed that 40 per cent. of the amount should be deemed as having been held by us against liabilities elsewhere than in Canada and the Bank of Canada was authorized by the Exchange Fund Act 1935 to determine and pay over the appreciation on that sum of gold at the current market price. This was duly received by us in July and set aside for the specific purpose for which all our gold had been held, namely, as protection against foreign liabilities and contingencies elsewhere than in Canada.

The gold holdings of your Bank played an important, and at times a vital, part over the course of a century in stabilizing the value of Canada's dollar and in supporting the credit abroad of the country at large.

During the past year the average call loan rate in London was ½ of 1 per cent. and in New York 3/5 of one per cent—not sufficient to cover operating costs. It is essential to our operations in facilitating our customers' foreign business, to meet foreign deposit liabilities and for reserve purposes to maintain funds abroad, chiefly in London and New York. Such money, when rates and conditions are favourable, can earn "its board" or better, but in any case it must be kept abroad in immediately available form for the purposes mentioned.

Investments, not exceeding market value, amount to $361,900,000, an increase of $43,800,000 over last year. Included in this total are Dominion and Provincial Government securities $319,000,000, of which $136,800,000 matures within two years, and $182,000,000 matures after October 31st, 1937. Of these Government securities with over two years' maturity date, $152,300,000 (par value) falls due before October 31st, 1940.

Current Loans and Discounts in Canada and Loans to Provincial Governments, Municipalities and School Districts amount to $223,900,000, a decrease of $6,800,000. The demand for commercial loans continues to lag behind the improvement in business, as is usual after a prolonged depression; customers naturally employ their own accumulated funds before borrowing. Some Canadian borrowers, through exchange operations or otherwise, are using foreign funds obtainable temporarily at very low rates; it is to be hoped that this practice may turn out less disastrously than it did for many on a former occasion when the lower rates elsewhere blinded them to the risk involved in borrowing outside the country. There is good and bad money, just as there are good and bad loans; the cheapest money often costs the borrower dearly in the end, just as loans bearing the highest rates frequently result in loss to the lender. The interest on money used for productive purposes is comparatively the smallest item represented in the cost of production. If other items of cost received as much consideration, and if borrowers generally, particularly public bodies, gave anything like as close attention to the use to which borrowed money is put as most do to the question of a small saving in interest, the financial problems of this country would be simplified.

The Dominion Government's deposits at $9,900,000 show a decrease of $26,900,000, and Provincial Government deposits at $15,100,000 an increase of $5,200,000.

Deposits by the public amount to $641,300,000, an increase of $65,800,000.

Profits, after deducting Dominion and Provincial Government taxes, amount to $3,005,212 as compared with $3,204,369 in 1934—a decrease of $199,000, over half of which is due to the increase in Dominion and Provincial taxes.

Dominion and Provincial Government taxes paid during the past year total $1,002,000—an increase of $101,000. This does not include Municipal taxes of various kinds paid by our branches, which run into a substantial sum. Taxation is primarily intended to cover state and municipal essential expenditures. That we have drifted a long way from the original intention is becoming more and more apparent. The burden of taxation imposed by our numerous governing bodies has grown to the point where it consumes capital resources, saps energy and enterprise, discourages industry, production and construction, and thereby increases unemployment. Direct and indirect taxpayers are beginning to take a livelier interest in what is being done with their hard-earned money, and taxing bodies are beginning to realize that, unless taxes are reduced by effecting economies in public expenditures, the source of taxation will ultimately be dried up. One evidence of this trend is to be seen in the demolition of buildings which have been converted from assets into liabilities by reduced rentals and heavy taxes. There are many other evidences which are not so apparent.

PATERNAL LEGISLATION

Well-intentioned legislation in some provinces, designed to help debtors, is not working out in every case as expected by those responsible for it. On the contrary, it has had an adverse effect upon the morale of many and has closed the source of mortgage loans for worthy people who would otherwise have been able to borrow upon their fixed assets, the value of which has in consequence fallen.

SAVINGS DEPOSITS

For about thirty years the rate of interest paid by the Banks on Savings Deposits stood at 3 per cent. In May, 1933, it was reduced to 2½ per cent., and in November, 1934, it was further reduced to 2 per cent. In June last the rate paid on commercial funds deposited in the Savings Department was reduced to 1 per cent.

The reductions were reluctantly put into effect under pressure of the decreasing earning value of money. There were many who felt that the lowering of the interest structure of the country would stimulate borrowing of money for productive and constructive purposes. This hope was ill-founded, for as rates were forced down lenders naturally shortened the term of their commitments. They would not take the risk of long term investments at low rates in the face of experiments of one kind and another whether monetary, economic or socialistic. Until confidence is inspired by the adoption and carrying out of sound policies, the balancing of budgets by effective economies and by the reduction of taxes, long term investments will be postponed and business recovery retarded.

GOVERNMENT BUSINESS

The Bank of Montreal was fifty years old when the Dominion of Canada was born and from that day it acted as the Government's chief bankers until early this past year when the main account at Ottawa was taken over by the Bank of Canada.

We place a high value on our long established connection with the Dominion of Canada and are pleased to be able to say that succeeding governments have freely acknowledged in turn the value of the services performed by the Bank of Montreal.

TOURIST TRADE

Canada has unexcelled railway and hotel facilities to attract tourists the whole year round, and, year by year as our automobile roads are improved and extended, more and more American cars will be seen in Canada. The railway and steamship lines, tourist agencies and newspapers have done a great deal towards cultivating this important trade, in the general interest. Country hotels, boarding houses and tourist camps are coming to realize the necessity for improvement in their accommodation and service. If tourists are given a warm welcome, are comfortably accommodated and treated courteously and fairly, their number will increase annually.

SECURITIES

Financing in Canada during the year was dominated by the issue of Federal Government obligations arising from budget requirements and refunding of matured or callable guaranteed bonds at lower interest rates. Certain new issues were also created in connection with the assumption by the Bank of Canada of outstanding Dominion note circulation.

Provincial issues were substantial, though less important in amount than federal, while municipal issues were relatively small Much refinancing in this field has been postponed awaiting the necessary restoration of budgetary equilibrium.

A certain amount of corporation financing has been effected, comprised largely of refunding of callable bonds at lower interest rates.

In spite of the further accumulation of idle money seeking investment, high grade bonds failed to reach this year the peak attained toward the end of 1934. This hesitancy in the market was caused by successive threats of arbitrary action affecting the rights of creditors, which emanated from various sources. Any departure from the standard of good faith would not be forgotten in a day.

During the year we have closed 29 branches in Canada, which, under the changed conditions applicable to banking, could not be expected ever to become profitable. We have opened three sub-agencies. The Bank of Montreal (France), Paris, was closed in June last.

STAFF

During the past twenty-five years great changes in banking methods and routine have taken place. Efficiency and speed in handling the increasing volume of work have been assisted by the use of mechanical equipment. Some bankers who received their elementary training before the introduction of calculating and posting machines are prone to lament the valuable routine training now denied to young men. As a matter of fact, more attention than ever is being given to the selection of recruits and to their training. Special inducements are offered to clerks to take courses in banking approved by The Canadian Bankers' Association and the success of those who pass the examinations is a matter of gratification. These courses are not compulsory, which leaves it to every young banker to classify himself as ambitious or otherwise.

During the past two years I have visited our branches outside of Canada and have met, with few exceptions, all our Managers in Canada, also the members of the Staff at the centres. I am proud to say that our Managers and Staff, in point of efficiency, loyalty and *esprit de corps*, are a credit to the Bank and to themselves.

BETTER TIMES

Copies of the printed report of the proceedings of this meeting will be mailed to shareholders and may be obtained by others upon request. The report will contain, as usual, a detailed review of conditions in agriculture, business and industry in the various provinces.

These reviews will be found informative, interesting and heartening, indicating as they do that definite improvement in business has taken place during the past year, in spite of all handicaps, domestic and foreign. There is unmistakable evidence of increased confidence, and enterprising people are beginning once more to look ahead.

Gradual recovery in world commerce will continue as men of good will, with courage, ability, initiative, enterprise and ingenuity devise means whereby trading may be resumed on more normal lines. The Ottawa Agreements were a notable advance toward the revival of trade within the Empire, and Canada's recent trade agreement with the United States is a further courageous step in the direction of removing barriers to foreign trade.

Canada's share in adding obstacles to world trade has been comparatively slender. The forbearance of this country in the face of critical domestic conditions has not gone unnoticed abroad; in the excellent bulletin of February last issued by the Svenska Handelsbanken, Stockholm, Sweden, it is pointed out that throughout the crisis practically no restrictions were imposed upon the movement of exchange across the Canadian frontier, and the quota system with hampering licences was not applied to import requirements. It is true, however, that certain measures of control were applied.

Having said this much for our own country in relation to the international situation, it is well to re-emphasize that our immediate and vital concern is to put our internal affairs in order, to ensure Canada being properly equipped to take a prominent part in world trade on whatever basis and scale it may be resumed in future.

This will not be brought about by trying out quack remedies which would only make a serious condition hopeless. The country must face its well-known difficulties finally, and delay will not only be futile but will encourage their further growth. Some complain that the standard of living throughout Canada is too high for a debtor country, poor in accumulated means even though rich in undeveloped natural wealth, and that it adversely affects her competitive position in the world market. The standard is not too high in the proper sense of the word: it is the cost that is too high, and this cost can be brought down by effecting economies in our excessive general overhead. (Applause.)

The scrutineers appointed for the purpose reported that Messrs. Charles A. Hodgson, C.A., and Alastair A. Gowan, C.A., were duly appointed Auditors, and the following gentlemen elected Directors: The Honourable Thomas Ahearn, P.C., D. Forbes Angus, Sir Edward Beatty, G.B.E., W. A. Black, W. A. Bog, the Honourable Patrick Burns, the Honourable Henry Cockshutt, Norman J. Dawes, A. O. Dawson, H. R. Drummond, W. Sanford Evans, Sir Charles Gordon, G.B.E., J. W. McConnell, Ross H. McMaster, F. E. Meredith, K.C., Major-General the Hon. S. C. Mewburn, C.M.G., Lt.-Col. Herbert Molson, C.M.G., M.C., A. B. Purvis, C. F. Sise, W. N. Tilley, K.C., Sir Frederick Williams-Taylor

At a subsequent meeting of the Directors, Sir Charles Gordon, G.B.E., was elected President, and Mr. H. R. Drummond and Major-General the Honourable S. C. Mewburn, C.M.G., were elected Vice-Presidents.

UNITED FUEL NET WILL BE $535,000 BEFORE INTEREST

Officers Estimate All Bonds Serviced With Large Margin

Consolidated operating profits of United Fuel Investments for the six months ended September 30, 1935, were $286,386 after all charges except depreciation, bond interest and income taxes, as compared with $350,932 for the same period of 1934.

The management estimates that for the year ending March 31, 1936, net earnings after depreciation and income tax, but before charging bond interest, will be $535,000. This would cover all interest of parent company and subsidiaries with a large margin.

Principal change in balance sheet since March 31, 1935, is that current assets of United Fuel Investments are $1.9 millions and current liabilities $935,143 whereas on March 31 current assets were $1.4 millions and current liabilities $278,896. The reason is that inventories went up from $730,575 to $1.4 millions and bank loans and accounts payable from $159,404 to $900,000. Buying of coal for winter needs during the navigation season is probably the explanation. Secured bank advances are shown at $216,527. Accounts payable are $670,609.

On its September 30 balance sheet Union Gas Co. values its 99,757 no par value shares of United Fuel Investments at $1,227,644. These were bought by an exchange of shares and 24 cents a share in cash. These shares are subject to 90,000 shares of 6 per cent cumulative preferred stock of $100 par value sold to the public and with dividends in arrears on October 1, 1935, of 25½ per cent. Union Gas Co., however, also owns $450,000 6½ per cent general mortgage bonds of United Fuel Investments with a book value of $393,372 and $1 million 6½ per cent general mortgage bonds of its subsidiary Hamilton By-Product Coke Ovens with book value of $874,279. The Hamilton By-Product bonds are subject to an authorized issue of $3 millions of which $2.5 millions have been issued. The United Fuel Investments general mortgage bonds have common stocks of subsidiary companies pledged behind them. By recent issue of $2.5 millions 5 per cent 20-year sinking fund first mortgage bonds Hamilton By-Product Coke Ovens redeemed $1.2 millions of 7 per cent first mortgage bonds and cancelled $1.3 millions of general mortgage bonds.

Company Earnings

Loew's London Theatres

Loew's London Theatres' earnings in the year ended August 31, 1935, were $131,058 as compared with $212,296 in the preceding year. Net was only $5,208 against $12,041 in the previous year. Preferred dividends paid amounted to $11,809.

Working capital was maintained at about the same amount as in the preceding year. All expenses were reduced in line with the drop in receipts.

Income and Surplus Account

	Year Ended Aug. 29 1935	20 Mos. Ended Aug. 30 1934
Rev. from theatre:	$	$
Ticket receipts	130,824	211,715
Sundry revenue	234	581
	131,058	212,296
Less: Sundry exps.	36,191	51,933
Salaries & wages	23,475	36,791
Films	40,985	56,697
Net theatre rev.	30,407	66,875
Add: Rent received	60	100
Int. & exch. rec.	1,422	2,556
Profit on equip.	197	......
Total revenue	32,086	69,531
Less: Taxes & insur.	12,887	20,299
General exps.	3,235	5,022
Directors' fees & exps.	898	5,608
Repairs & renewals	1,813	4,317
Net earnings	13,253	34,288
Less: Deprec.	7,058	13,104
Movietone install. w/o	......	7,260
Res. for inc. tax	987	1,883
Net profit	5,206	12,041
Less appropriations:		
Preferred divds.	11,809	11,809
Surplus for year	†6,601	232
Add: Prev. surplus	12,143	11,912
Bal. carried forward	5,542	12,144

† Deficit.

Working Capital

	1935	1934
	$	$
Current assets	54,503	55,064
Current liabilities	1,406	2,608
Working capital	53,097	52,456

(Additional company earnings on page 14.)

Dominion Stores Opens Markets in West. Ontario

Dominion Stores Ltd. is expanding operations in western Ontario. It recently opened one of its modern grocery and provision markets in St. Thomas. A meat market was recently opened in connection with one of the London stores. This is the third meat market the company has opened in London in six months.

On the whole, Dominion Stores is operating fewer store units in 1934. Since Ontario and other provinces tax chain stores on each unit, present expansion is being carried on within the individual store units, rather than by increasing the number of stores.

Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington, follows:

France—Industries generally dull showing less than seasonal improvement.

Belgium — Most industries busy and foreign trade returns more favorable.

Great Britain—Industry and trade maintaining a general improvement. Increased activity in textiles.

Sweden—Business is maintaining a satisfactory pace, especially the industries supplying the domestic market.

Denmark—Currency rate has been maintained. Domestic industry is benefitting from government's control over imports.

Germany — Exports in October highest for the year, offsetting import excess of previous months.

Yugoslavia—Drought has curtailed crops. Prices are advancing. Export balance is less than last year.

Japan—Early November foreign trade was somewhat less active.

International Paints (Canada) Limited

and Subsidiary Companies

including A. Ramsay & Son Company, Stewart & Wood Limited
Seventh Annual Report for Year Ended September 30, 1935

Dear Sir or Madam:

Your Directors beg to submit herewith the Seventh Annual Report of the business and affairs of the Company for the fiscal year ended September 30th, 1935, together with Financial Statements certified by your Auditors, Messrs. Price, Waterhouse & Co.

Your Directors deeply regret to record the death of their valued and esteemed colleague, Mr. L. Laird Gordon, who has been a Vice-President and Director of the Company since its inception.

After deducting $38,883.61 for Depreciation, the operations for the year show a profit of $41,108.78 as compared with $27,912.59 last year. Ten per cent of this amount has been transferred to reserve, and after allowing for Income Tax, there is a balance of $29,484.04.

All inventories have been priced on the basis of cost or market, whichever proved to be the lower.

Your Directors are pleased to inform you that effective March 1st, 1935, the interest rate on the First Mortgage Ten Year Sterling Bonds has been reduced from 7% to 5½%.

Your Basin Street Plant, which has not been operated by the Company for some time, has been sold for $36,500.00 and the capital loss deducted from the Depreciation Reserve. With a view to possible future expansion at the Park Avenue Plant, a property has been acquired adjacent to and in rear of that Plant, consisting of approximately 49,000 sq. ft. of land with buildings; the purchase price being $30,633.64. Part of this property is already in use. These transactions are reflected in the value of Property Assets as shown on the Balance Sheet.

During the year under review your Company has further increased its sales and has improved its financial position.

Your Directors desire to express to the officials and all employees sincere appreciation of their services rendered during the past year.

In accordance with the By-Laws, five of your Directors retire at the ensuing Annual General Meeting and are eligible for re-election.

Montreal, Que., December 2nd, 1935.

For the Directors,
J. W. STEWART,
President.

Consolidated Balance Sheet, September 30, 1935

ASSETS

Current Assets:		
Cash in Bank and on Hand	$ 54,807.19	
Accounts Receivable less Reserve of $2,000.00 for Doubtful Accounts	206,795.69	
Surrender Value of Life Insurance Policies	2,966.00	
Physical Inventory as certified to by the Management, valued in respect of Manufactured Stock and Goods in Process at Standard Costs estimated by the Management and as to Raw Materials and Supplies at cost	250,725.92	$ 515,294.80
Investments in Property and Securities		17,174.38
Carried at cost, less Reserve of $20,000.00		
Deferred Charges to Operations:		
Prepaid Insurance, Taxes, etc.		11,444.55
Organization Expense of Subsidiary Companies		3,239.98
Property Assets:		
Land at cost, less write down resulting from expropriation	$ 79,535.90	
Buildings, Leasehold, Machinery, Plant and Equipment at cost, with the exception of certain properties which are carried at a value determined by the Chartered Trust and Executor Company at November 9, 1931, $25,000.00 plus subsequent additions at cost	485,998.40	565,534.39
Goodwill, Trademarks, Patents and Formulae		190,001.00
		$1,302,689.10

LIABILITIES

Current Liabilities:		
Accounts Payable	$ 60,082.05	
Accrued Liabilities	1,477.28	
International Paint & Compositions Co. Ltd., £838:13:3	4,081.49	
Provision for Dominion, Provincial and Other Taxes	11,080.25	$ 76,721.07
Mortgages Payable:		
Due April 1, 1937	$ 4,580.00	
Due March 1, 1938	6,000.00	10,580.00
First Mortgage Ten Year 5½% Sterling Bonds, due Sept. 1, 1943, £30,000		146,000.00
General Reserve		17,219.54
Reserve for Depreciation of Buildings, Machinery and Equipment		153,825.36
7½% Cumulative Participating Preferred Stock:		
Authorized and Issued—28,000 shares of $30.00 each		840,000.00
(Dividends have not been paid since June 30, 1931).		
Common Stock:		
Authorized and Issued—		
Class A—20,860 shares without par value	$104,300.00	
Class B— 7,140 shares without par value	35,700.00	
	$140,000.00	
of which the total amount was attributed to Surplus	140,000.00	
Capital Surplus		10,087.69
Earned Surplus, Balance at September 30, 1935, as per statement attached		48,255.44
		$1,302,689.10

Approved on behalf of the Board:
J. EDOUARD LABELLE, K.C., Director.
J. H. DAVEY, Director.

Auditors' Report to the Shareholders:

We have made an examination of the books and accounts of International Paints (Canada) Limited and its wholly owned subsidiary, A. Ramsay & Son Company, and have received the audited accounts of its other wholly owned subsidiary, Stewart & Wood Limited, for the year ending September 30, 1935. We have received all the information and explanations which we have required; and we report that, in our opinion, the above Consolidated Balance Sheet at September 30, 1935, is properly drawn up so as to show a true and correct view of the state of the combined affairs of International Paints (Canada) Limited and its subsidiary companies at that date, according to the best of our information and the explanations given to us, and as shown by the books of International Paints (Canada) Limited and A. Ramsay & Son Company, which we have examined and the audited accounts of Stewart & Wood Limited.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, November 29, 1935.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED
Surplus for the Year Ending September 30, 1935

Profit from operations, before provision for the undernoted items		$ 104,578.66
Income from Investments and rented property	$ 3,725.63	
Miscellaneous Income (net)	202.74	3,928.37
		$ 108,507.03
Interest on Bonds and Mortgages	$ 10,022.14	
Directors' Fees	1,240.00	
Executive Salaries	16,877.50	
Legal Fees (Exclusive of costs on Conveyance of Property)	375.00	28,514.64
		$ 79,992.39
Provision for Depreciation		38,883.61
		$ 41,108.78
Provision for Dominion and Provincial Income and Profit Taxes	$ 7,513.86	
Transferred to General Reserve	4,110.88	11,624.74
Balance of Profits for the Year		$ 29,484.04
Earned Surplus, Balance September 30, 1934		20,078.73
		$ 49,562.77
Organization Expenses Written off		1,307.33
Balance of Earned Surplus, September 30, 1935		$ 48,255.44

Your Investments

What We Do:

1. Give information on Canadian securities to enquiring subscribers by early mail.
2. Publish anonymously on this page letters of general interest.
3. Supply an enquiry service of fact rather than of opinion.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on United States or foreign securities.
3. Reply by telephone or telegraph to enquiries.
4. Select lists of securities; express opinions; forecast the future.

Three-cent stamp must be enclosed. Write mining and insurance enquiries on separate sheets. Address the editor, The Financial Post, 481 University Ave., Toronto.

Morrison Brass

I hold ten shares of seven per cent preferred stock of Morrison Brass Corp. No dividends have been paid since 1931. Will you kindly give me any information you may have on the company's present position? Has the stock any market value?

Operations of Morrison Brass have been far from satisfactory in the depression years. Improvement, however, was shown in 1934, operating loss being reduced to $2,138. Total deficit after all charges amounted to $33,729. During the current year, sales have been well ahead of 1934, and in the past two months there has been very substantial improvement. In October, sales were the highest for any month since 1929.

The outlook for early return on the preference shares is not bright. The company's working capital has been depleted. Loans in excess of $200,000 would have to be liquidated before any dividends could be paid on the preferred stock. We are informed that at the present time there is no market for the shares.

Maple Leaf Gardens

I would appreciate receiving any information you may have relative to the financial position and prospects of Maple Leaf Gardens Ltd.

Maple Leaf Gardens is one of the few sporting ventures that ever paid a cash dividend to the public. The initial dividend on the $10 preferred stock was paid October 15 this year. The company's notes payable and second mortgages have been cleared off, and the first mortgage reduced from $750,000 to $715,000. The venture, however, has not proved that it will be able to pay dividends regularly or for a long period although the outlook is more hopeful than in most sporting promotions.

Canadian Rail & Harbour

We would appreciate if you would give us some information relative to Canadian Rail & Harbor Terminal 6½ bonds, due March 1, 1951. These were selling some time ago in the neighborhood of 38, and a reorganization was slated. We understand that this reorganization failed to go through, and are wondering if you have any information at your disposal as to the prospects, standing and current price of these bonds.

Canadian Rail & Harbor Terminals 6½ per cent bonds are 38 bid, 39 asked at present. There is no immediate prospect of a reorganization for the property, although authority to permit one has been obtained. The Toronto protective committee and the New York committee for bondholders may have to combine forces before reorganization is probable. The company is expected to show earnings in 1935 about the same as in 1934. Last year's profits were $158,337, after taxes, but before depreciation and other charges. This means that the company is earning over four per cent on the $3.5 millions of 6½ per cent bonds. Like other real estate companies, it is possible that the company could operate on a reorganized basis by maintaining the property out of earnings, and paying most of profits to bondholders, without setting up additional reserve for depreciation. It does appear that the company may eventually be able to pay three per cent on the bonds.

Inter City Western Bakeries

I have seen very little information on the position of Inter-City Western Bakeries, and would like to know if there has been an improvement in the position of the company.

Inter-City Western Bakeries continues in receivership. The bondholders' committee states that some progress is being made toward further economies and in consolidating operations. The progress made in this direction has not resulted in satisfactory savings.

Short-selling

Could you tell me if the Toronto Stock Exchange allows "short selling?" If so, is this short selling allowed on both the industrial and mining sections, and by all members and in all issues? Also, is a "loaning post" operated on the floor of the exchange?

The Toronto Stock Exchange permits short selling by brokers' customers. The investor or speculator can sell short either industrial or mining stocks as and when he pleases.

Members of the exchange themselves, of course, are prohibited from selling short against their clients' long purchases. Such short selling by brokers is known as "bucketing" and would be a serious offense.

There is no "loaning post" on the floor of the Toronto Stock Exchange. The usual procedure is just to sell the stock that you wish to "go short." The broker who sells it for you then arranges to deliver the stock by borrowing it. Ordinarily there is no charge for borrowing to sell short. In fact, you might arrange to receive interest for the credit balance created by a short sale, pending re-purchase of the shares sold.

Canada Wire & Cable

I hold some preferred shares of Canada Wire and Cable Co. I would be much obliged for a brief outline of the company's position. What are the prospects of dividends on the preferred stock?

Canada Wire & Cable Co. has had some improvement in business this year. Although no preferred dividends have been paid since 1932, the company's financial position has been well maintained. There are no securities senior to the preferred stock, but earnings on it only amounted to 22 cents a share in 1934, and 14 cents a share in 1933. Broad recovery of the company's earnings depends chiefly upon the improved conditions in capital goods industries which may now be under way. There is no immediate prospect of a payment on the preferred shares, but resumption of full payment is an eventual probability.

City of Windsor

I have been offered 51 for a five per cent Windsor bond. Would it be wise to sell?

If you sell your city of Windsor bond at present prices, you would be taking a severe loss. It has been suggested that a proposal might be made to write 25 per cent off the face value of Windsor bonds. This will be strenuously opposed, as it does not appear to be warranted. In refinancing the city's defaulted debt, however, it is likely that a reduction will be made in the rate of interest. If something of this kind is done, and the city's finances rehabilitated, your bond might be worth more than it is at present, even though the interest rate were lower.

The prospect seems to be that you are not likely to get much less interest than you are receiving at present, but that rehabilitation of the city's finances may eventually give you a better market value.

Canadian Gen. Investments

I hold considerable stock in Canadian General Investments Ltd. and wonder if you could give me an idea as to how the affairs of the company are progressing. What is the break-up value of the shares at this time?

Break-up value for common shares of Canadian General Investments was $9.35 a share at June 30, 1935. This is considerably higher than the market value of the shares.

For the six months ended June 30, 1935, earnings amounted to 22 cents a share compared with 21 cents in the first half of 1934. Thus, the annual dividend of 40 cents a share is being covered. The company's policy of investing for capital appreciation has been changed to one of investment for the largest return. With improving returns from the company's investments, it appears that the present dividend is fairly well secured. The break-up value of the shares has probably improved further since June 30. Management of the company's investments has apparently been improving since 1930. Its portfolio, however, is not published.

Dominion Foundries

I hold common shares of Dominion Foundries & Steel Co., quoted at $30 bid on the unlisted market. Does this indicate there is some prospect of a dividend on these shares? What is the company's position?

Dominion Foundries & Steel common stock has risen in value because the company has improved its position materially since 1930. In 1934, after all charges, net profit was $99,000. Since then the company has been reorganized and arrears of preferred dividends capitalized. Dividend requirements on the new preferred stock are $72,000 annually. On the basis of last year's earnings and of the new capitalization, net profits were $27,000 on the common stock, or about $1.13 per share.

Although the earnings record indicates that there would be a possibility of payments on the common, immediate dividends are unlikely. First of all, the company is making large investments in plant expansion, and it may also want to retain earnings to build up reserves. The company's post-war record has not been impressive, but it is now more favorably situated than for years.

Dominion Coal

Please let me have a brief opinion on the merits of Dominion Coal preferred stock. Has the company a sound record?

Dominion Coal preferred holds an attraction from the point of view of income. The company is doing exceptionally well and it is anticipated that the 1935 report will show that the dividend on the preferred stock has been earned by a comfortable margin. The record of the company, however, has not been particularly good and this fact should be taken into consideration when analysing the merits of the stock.

Rogers-Majestic

I have held common stock of Rogers-Majestic Corp., bought at $25 a share, for several years. It has been disappointing. I have almost made up my mind to sell the shares. What do you think of it?

The earnings record of Rogers-Majestic Corp. has not been impressive. The general manager stated recently that the new U. S. trade agreement would not affect the company adversely. Still, it will not be helpful. While the company has diversified its production, it still depends largely upon radios. Despite higher sales, earnings on the common stock remain in doubt, due particularly to recent reductions of radio prices by major manufacturers.

Mersey Paper

I hold general mortgage bonds of the Mersey Paper Co. It is my understanding that this company is operating at capacity and consequently I find it difficult to understand why earnings are not greater. Has there been any improvement in respect to earnings?

Mersey Paper Co. is one of the few newsprint companies in Canada or the United States which have been able to operate at capacity in recent years. Its revenues have been sufficient to take care of all obligations, including interest on bank loans and on the general mortgage bonds. While it is true that revenues do not reflect the operations of the company, it should be pointed out that there has been strengthening of the newsprint situation in the last 18 months. For 1936 the price of newsprint will be advanced $1 a ton which should strengthen earning power of Mersey Paper.

Canadian Investment Fund

I am looking for a safe investment with a reasonable return. Would you recommend Canadian Investment Fund?

Canadian Investment Fund shares sell currently at approximately the liquidating value of the securities in the company's portfolio. The investments of the company consist of substantial holdings in a comparatively small, but select, group of Canadian securities, mostly common shares. The company's board is of high quality. Management of the trust is largely in the hands of Calvin Bullock, a New York firm managing and sponsoring investment trusts. The dividend of 14 cents a share returns a moderate yield.

Canadian Paperboard

Can you supply us with information as to the present financial position of Canadian Paperboard?

Canadian Paperboard Ltd., has been reorganized. Holders of the seven per cent bonds received one new preference share for each $100 of bonds and one new common share for each $400 of bonds. Preference shareholders got one new common share for each two shares. Holders of common stock got one new share for each 10 old shares. Ordinary creditors received one new common share for each $100 claim proved. Dividends on the new preference stock are cumulative from January 1, 1936.

The company's properties have been leased to Gair Co. Canada Ltd., subsidiary of Robert Gair Co. Inc., New York. The Gair firm is to pay to Canadian Paperboard a sum sufficient to meet taxes, insurance and underlying charges. In addition Canadian Paperboard Ltd., is to have a share in the profits. The Gair firm is securing a strong hold on a large part of the Canadian paperboard industry, but we are not impressed with the treatment given to investors in some cases. We have no recent statement for Canadian Paperboard Ltd., but a new one will have to be issued because of the changes in the Dominion Companies Act. This should be forthcoming some time next year.

Niagara Falls Bonds

Will you kindly give me some information on the present position of Niagara Falls bonds? What are these bonds selling at?

Niagara Falls bonds have been quoted at about 66. A scheme of refinancing is under consideration. The city's financial position is one of the best among defaulting municipalities. The city is paying full interest on the bonds and it is unlikely that reduction of principal will be proposed in any refunding scheme. Principal installments are in default.

International Petroleum

What do you think of International Petroleum for a long hold at $36½ to $38½ now that the report is out? It looks like a disappointment, as earnings of $1.49 per share hardly pay the present dividend rate, let alone bonuses.

International Petroleum could continue dividends and bonuses at the present rate for five years if earnings were maintained at the present rate. Its earned surplus is high enough to permit bonus payments for that length of time.

There is, of course, the possibility that earnings might increase materially in the meantime and might even go so high that present dividends and bonuses would both be earned. It is impossible to make in advance an informed survey of a five-year period. In the meantime, it is best to consider any bonus payment as part return of capital and only the amount actually earned from year to year as representing yield on investment.

If one considers a 4½ per cent yield adequate—ignoring the bonus payments as having been from earned surplus of other years—then the present market price is all right. If one measures the market value by the old rule of thumb of 10 times earnings and adds something for bonus possibilities, the stock would only have a real investment value of about $20. It has not in recent years sold as low as 10 times earnings, and seldom at 15 times earnings. The stock, however, has always aroused high expectations, which, so far, have been justified.

The Woman Investor

Bulls and Bears

A woman subscriber writes The Post asking "The difference between a bull and a bear."

To brokers, or the financial community, the question seems elementary.

It is elementary, but nevertheless, it is a sensible question from anyone without experience in speculation. And it is significant of a logical approach to an active interest in share trading.

The fact is that many individuals engage in speculation without bothering to learn the A B C's of the business. Sensitive to what they feel may be ridicule at their seeming ignorance, they hesitate to ask questions, and their money usually goes to pay for "valuable" experience rather than to return a profit in cash.

Knowledge vs. Cash

The Post's correspondent may have funds in government or good municipal bonds, or in a savings account at a bank. And she demonstrates a good deal of common sense in leaving it where it is until her question, and perhaps many more, are answered.

She may even be wise enough to leave it there after learning all there is to know about the speculative "opportunities" of the stock exchanges.

In any case, the query draws attention to a human failing that is nowhere more evident than in financial affairs. Awed by the seemingly impressive terminology of the financial world, women—and even larger numbers of men—hesitate to appear uninformed because they fear the ridicule of others who are ostensibly wiser than they. The truth is that, like a catchy phrase, many financial terms are loosely passed around with very little knowledge of their real meaning.

Market Terms

Incidentally, there are two types of stock phraseology. One is used to describe the recognized practices of established stock exchange trading; the other by racketeer type promoters who speak, usually in private, of "mooches," "sucker lists," "reloading," and "dynamiting." The latter, picturesque as it is, contains sinister meanings which are quickly recognized as danger signals, by those in reputable financial circles.

But "bulls and bears" through long usage have attained a recognized place in the financial world, replacing the more dignified but cumbersome "Speculators for the rise," and "Speculators for the decline."

A bull is merely a trader who, rightly or wrongly, believes that a certain stock, group of securities, or the whole market, may rise in price, and consequently is a buyer, with a view to either selling at a higher price or holding for dividend or other form of income yield. A bear is the opposite; believing that the price trend is downward, and therefore inclined to sell stocks before they reach the lower levels he anticipates.

Selling Short

"Selling short" is also the practice of bears, who, although not the owner of a particular security or group of securities, nevertheless believe the market will go down in price, and so place orders to sell securities which they do not own. If the market declines, they "buy in" the same securities at the reduced prices, deliver them to the individual to whom they had previously sold them, and the difference is their profit.

If the market goes up, on the other hand, the bear must "cover" at the higher price and so loses on the transaction. Elementary—but the cost has been millions to those who decided to become bulls or bears at the wrong time.

Rackets

Sure Market Profits

WITH Better Business Bureaux, and security commissions increasingly active, it is getting so that a crook is not without honor, save in his own country.

Hence the attempt of a French company of doubtful reputation in Europe, to make a clean up in Canada.

The following case is typical of operations of this company.

A Toronto investment house recently received an order from a French firm, of awesome title, to purchase 500 shares of International Nickel at the market. The order was put through by one of the company's traders, who cabled confirming the purchase and asking the buyer to credit the London office of the Toronto firm.

Taking the "Profit"

The market happened to be rising, and the Toronto house shortly received a cable to sell 100 shares at the market. This was done, and since the London office had not received the original purchase price, the profit only was credited to the French firm.

The market continued to rise, and again came an order to sell one hundred shares. Again the profit was dispatched to France.

When the third order to sell came through, one of the senior executives of the Toronto house noticed it, and became suspicious. Enquiries were made, and it was learned that the French concern had been carrying on a racket all over the world, Canada now being on the company's sucker lists.

The racket, of course, was that if the market rose, the French firm pocketed the profit. If the market fell, the French gentlemen had no intention of paying for the stock in any event.

Simple, but, The Financial Post learns, several Toronto groups would have lost money, had not the market been rising.

THE SHERWIN-WILLIAMS CO. of Canada, Limited

Annual Report of Board of Directors for Year Ending August 31st, 1935

TO THE SHAREHOLDERS:

The Consolidated Balance Sheet showing Assets and Liabilities of your Company and its wholly-owned subsidiary companies at the close of its fiscal year, August 31st, 1935, is submitted herewith, together with a Consolidated Statement of Earned Surplus and Profits.

Also presented herewith is the certificate and report of your Auditors, Messrs. Price, Waterhouse & Company, who have made an examination of the books and accounts of the Company.

As at December 31st, 1934, an appraisal of the properties of the Company was made by the Canadian Appraisal Company, Limited, and the present depreciated value of Land, Buildings, Machinery and Equipment owned by the Company, including net additions since the date of the appraisal, is set forth in the note sub-joined to the statement of the Property Account in the Consolidated Balance Sheet.

Our usual care has been exercised in the taking of all inventories, and these have been priced on the basis of cost or market, whichever was the lower.

All units and subsidiary companies showed increases in sales during the year and this improvement is being maintained at the present time. The margin of profit was not increased in proportion, due to rising costs and special efforts put forth to increase sales and thereby provide additional employment.

Net Earnings of the Company available for dividends, after making all deductions as set forth in the Consolidated Statement of Earned Surplus and Profits amount to $205,574.25 as compared with $200,804.46 for last year.

Total Current Assets as per Balance Sheet amount to $4,168,771.35; Current Liabilities to $317,335.39, leaving Net Current Assets at $3,851,435.96, a ratio of over 13 to 1 and equal to over $100 per share of Issued Preferred Stock.

During the year dividends amounting to 5¼% ($181,650.00) were paid to Preferred Shareholders. The Earned Surplus now stands at $3,779,175.16.

Again it is a pleasure to express on behalf of the Management appreciation to the staff of the Organization for their whole-hearted co-operation extended throughout the year.

Respectfully submitted on behalf of the Board.

Montreal, Que., November 30th, 1935.

GEO. A. MARTIN, President.

Consolidated Balance Sheet — August 31st, 1935

ASSETS

Property Account:			
Balance, August 31, 1934, with the cost of subsequent additions		$8,984,004.63	
Less: Reserve for Depreciation		2,025,689.61	
			$6,958,315.02
NOTE: Based on the appraisal made as of December 31, 1934 by the Canadian Appraisal Co. Limited, the present depreciated value of Land, Buildings, Machinery and Equipment (including net additions since date of appraisal) is $3,150,492.47. The balance of the book value of Property Account is represented by Formulae, Trade Marks, Processes and Goodwill.			
Investments in and Advances to Partly Owned Subsidiary Companies:			
Investments, at cost		$ 539,265.85	
Advances		210,701.39	
			749,967.24
Current Assets:			
Inventories as determined and certified by the Management, and valued on basis of cost or market, whichever was the lower		$1,806,496.47	
Trade Accounts and Bills Receivable, less Reserve		1,240,114.00	
Other Accounts Receivable		94,764.64	
Amounts due from Shareholders		35,138.90	
Marketable Securities, at cost	$405,302.79		
Less: Depreciation written off	151,905.50		
(Market value $210,521.00)		253,397.29	
Cash		738,860.05	
			4,168,771.35
Insurance and Taxes Prepaid			44,984.04
			$11,922,037.65

LIABILITIES

Capital Stock:			
Seven Per Cent Cumulative Preferred:			
Authorized—40,000 Shares of $100.00 each		$4,000,000.00	
Issued —34,600 Shares of $100.00 each		$3,460,000.00	
NOTE: Dividends aggregating $14.00 per Share have accumulated on the Preferred Shares, and are unpaid.			
No Par Value Ordinary:			
Authorized—225,000 Shares			
Issued —200,000 Shares		4,000,000.00	
			$7,460,000.00
Due to Partly Owned Subsidiary Company			345,527.10
Current Liabilities:			
Trade Accounts Payable and Accrued Liabilities		$ 170,315.17	
Mortgage Payable, with interest accrued		8,120.00	
Deposit Accounts		87,884.76	
Provision for Dominion, Provincial and Other Taxes		51,015.46	
			317,335.39
Reserve for Allowances to Retired Employees			20,000.00
Earned Surplus—as per statement attached			3,779,175.16
Contingent Liability in respect to guarantee of Bank Loans of partly owned subsidiary companies	$28,000.00		
			$11,922,037.65

Approved on behalf of the Board:—

V. M. DRURY
A. W. P. BUCHANAN } Directors

CONSOLIDATED STATEMENT OF EARNED SURPLUS AND PROFITS

August 31, 1935

Net Operating Profit for year ending August 31, 1935, before taking into account the items shown below		$ 324,682.16
Add:		
Interest and Dividends on Investments	$ 13,782.49	
Profit on Sale of Investments	549.30	
Dividend from partly owned Subsidiary Company	50,000.00	
		64,331.79
		$ 389,013.95
Deduct:		
Provision for Depreciation	$ 52,118.43	
Provision for Dominion and Provincial Income Taxes	30,200.00	
Allowances paid to retired employees	22,038.04	
Directors' Fees	1,200.00	
Legal Fees	927.43	
Salaries paid to twelve Executive Officers of Companies consolidated herein	76,955.80	
		183,439.70
		$ 205,574.25
Earned Surplus, balance at August 31, 1934	$3,780,234.57	
Deduct: Prior year's adjustments	24,983.66	
		3,755,250.91
		$3,960,825.16
Deduct: Dividends of 5¼% paid during the year to Preferred Shareholders of The Sherwin-Williams Company of Canada, Limited		181,650.00
Earned Surplus, balance at August 31, 1935		$3,779,175.16

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies for the year ending August 31, 1395, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the attached Consolidated Balance Sheet at August 31, 1935, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its wholly owned Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of these Companies.

In accordance with Section 114 of the Companies Act 1934, we also report that the Company's proportion of the aggregate net losses of partly owned subsidiary companies amounting to $30,460.32 has not been provided for in the above accounts.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, October 31, 1935.

THE LONDON AND WESTERN TRUSTS CO. LIMITED
Established 1896
Executors, Administrators, Etc.
Offices at: London, Toronto, Windsor, Winnipeg, Vancouver.

CHAMPION MORTGAGE
CORPORATION - LIMITED
EDMONTON VANCOUVER
CALGARY VICTORIA
SASKATOON REGINA

40 Years a Great Tobacco
IMPERIAL MIXTURE
1 lb. 2.75 - ½ lb. 1.40 - ⅕ lb. .60 - .25 Packages

Union Gas Company of Canada
Limited
4½% First Mortgage Sinking Fund Bonds
Due December 1, 1950
PRICE: 98 and accrued interest, to yield 4.68%

Information with respect to the operations and financial position of Union Gas Company of Canada, Limited, and further details relative to these bonds are contained in the official circular, copies of which are available on request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

G. S. HOLMESTED
Licensed Trustee in Bankruptcy
Liquidator, Receiver, Etc.
McKINNON BUILDING - TORONTO, ONT.

231 ST. JAMES ST. W., MONTREAL. PLateau 8651*
BRUNO JEANNOTTE
LIMITED
INVESTMENT SECURITIES
are pleased to announce the opening of an ENGLISH DEPARTMENT under the direction of
CAPTAIN T. C. W. CARLYON
●
The Board of Directors has appointed
MR. JEAN ROBERT
as Secretary-Treasurer
●
BOARD OF DIRECTORS
BRUNO JEANNOTTE - - - - - - - - - PRESIDENT
ANDRE VERRIER - - - - - - - - VICE-PRESIDENT
JEAN ROBERT - - - - - - - SECRETARY-TREASURER
ENGLISH DEPARTMENT [CAPTAIN T. C. W. CARLYON, DIRECTOR
ROBERT GOODIER

THE LAST LAND OF PRIMITIVE ROMANCE

Right: An everyday scene in Kruger National Park

Left: Luxury planes of the South African Railways, Airways and Harbours

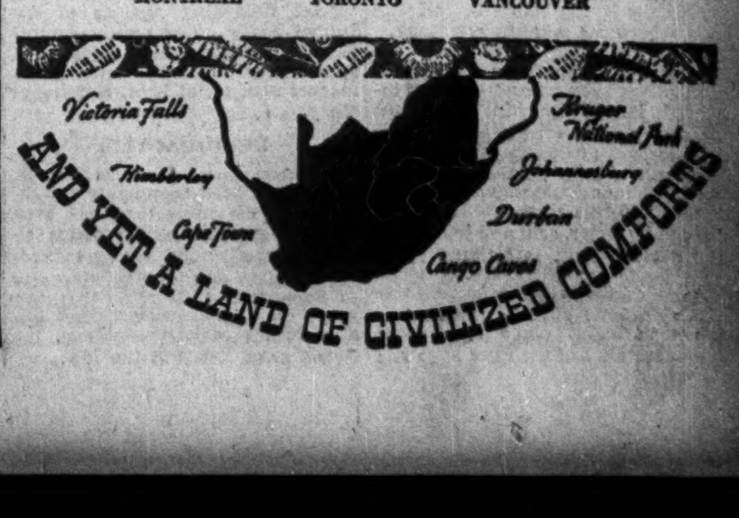
THERE ARE THRILLS FOR YOU IN...
SOUTH AFRICA

YOU may "hunt" lions galore with your camera—in safety and comfort—as you drive the roads of Kruger National Park—the world's largest game reserve. Zebra, giraffe, hippopotami and hundreds of native beasts roam this area for you to see. And here, too, you sleep comfortably in rest camps at night.

Then, also, you may hear the weird, hypnotic music and rituals of native dances and ceremonials—sights and sounds that echo back to stir the primitive in every heart. The age-old mystery of the Zimbabwe ruins, the amazing "hole" of Kimberley's diamond mine, the mighty majesty of Victoria Falls, the whispering awe of the Cango Caves, the glamour of Durban's silver strand where sophisticates of the world meet to rest, refresh health and recreate the colour of existence—these are thrills.

Summer or winter you have a glorious climate in South Africa—never too hot, never too cold. Good ships take you there—you can fly airways equipped with latest planes, or travel by train in modern comfort. Good hotels await you—and the welcome of a sister Dominion. For literature on South Africa write or call

THOS. COOK & SON LIMITED
MONTREAL TORONTO VANCOUVER



Labor Code's Hours of Work Claimed Restraint of Trade

Industrial Standards Act, Limiting Saturday Employment, Clashes With Other Legislation, Observers Find

BY JAMES BIGGAR

"The legislature within its jurisdiction can do anything that is not naturally impossible, and it is restrained by no rule, human or divine." Thus a noted Ontario jurist described the power of parliament in its sphere, or geographic area, of authority.

Laws are not made to be broken, despite the opinion to the contrary one often hears expressed, even by law abiding citizens. The lack of respect for law may not be so much an evidence of poor citizenship as it is an indication that there is something wrong with the law itself.

The motive which prompts legislative enactment may be above reproach, but due to incongruities within the statute's component parts or sections, stated or implied, the remedy or benefit may not be achieved.

Structural Faults

The Industrial Standards Act of Ontario was intended to improve the lot of the industrial worker, and to stabilize conditions generally in industry so that the employer would likewise benefit. Although this measure has been tried only for a few months in certain zones by a few manufacturing industries and the building trades, it is already evident that the act has serious deficiencies in structure.

There is a chorus of protest from both employees and employers regarding lack of enforcement, and in the early days of putting any law into effect, delays and uncertainties in this respect are to be expected. If this law can be enforced, and there is grave doubt in the minds of some well-known authorities on constitutional law that it can, the matter of enforcement will doubtless be taken care of in time.

Measures for Control

As stated last week in The Post, Hon. David Croll, Minister of Public Welfare, Municipal Affairs, and Labor, has reorganized the inspection services of his department, placing all the inspectors under one general inspector.

In this way the government expects to increase the efficiency of its inspection services, and will have available where and when needed a group of some twenty relief inspectors, formerly employed in the Department of Public Welfare, to assist in checking up work being done which comes under schedules of the Industrial Standards Act.

Unfortunately, however, the causes which underlie some of the breaches of the law are the result of its terms, stated or implied, rather than any wilful intent on the part of employees or employers who fall foul of it.

Millinery Convictions

A good example of an inoperative code is that of the millinery industry which has been made to apply to all millinery shops of Ontario, taking the whole province as one zone.

Cases against four Toronto firms subject to this code were recently heard in police court.

The charge was in connection with Saturday work, forbidden under the schedule of wages and hours for the millinery industry. Convictions were registered and an appeal has been taken which it is expected will be heard during the next week or two.

When these cases were being tried before the magistrate the admission was made of the futility of trying to compel all small millinery shops throughout the province to stop alterations or trimmings on ladies' hats on Saturday, the big day of the week for most of these shops in the villages and towns.

The 40-hour Week

To get a forty-hour week in industries which formerly operated on the forty-four, or forty-eight-hour week, on the theory that the available work would thus be more widely distributed among workers, a number of the schedules now in force either prohibit work on Saturday, except in an emergency, or require the payment of double time for Saturday work.

Plumbers' Schedules

Plumbing and electrical contractors of Toronto interviewed by the writer this week took serious objection to the restriction of work in their trades to the five days preceding Saturday.

In the plumbers' schedule, if work is done on Saturday, it must be at the rate of double time, or in case of emergency a minimum of two hours single time. A well-known contractor in this trade points out the unfairness of this schedule to the public. He also objects to the fact that he cannot go out and do a job himself even at the regular rate of ninety cents an hour on Saturday.

He had not objected to the forty-hour week for his men, or to the increase from 85 to 90 cents an hour in the rate, as he had always employed union workers and the increase did not affect him very much, but he insists that no law can deprive him of personally earning a living.

Lord's Day Act

The regulation regarding Saturday work has no relation to the Lord's Day Act, or any measure coming under the criminal code, and is therefore, in effect, in restraint of trade.

His contention that any law which denies a man gainful employment on a day of the week not set apart by the Lord's Day Act, and which does not happen to be a public holiday, cannot hold water, would appear to have foundation in fact.

A recent case brought against a painter-employer in Toronto police court was thrown out because the magistrate found that the men accused had worked only Friday and Saturday. They had not been employed for the forty houses allowed for the week, and they had not been present at the conference when the schedule forbidding work on Saturday was decided. Magistrate Jones, who tried the case, said, "If he was not at the conference I cannot stop his mouth."

Low Cost Repairs

Electrical contractors complain of hardware shops that keep a man or boy at a low wage to do electrical repair jobs for householders at rates much lower than they can charge and pay the rate of $1 an hour required under their schedule.

They also claim that repairs to electrical appliances are done by the Toronto Hydro System where the electricians who do this work are not paid nearly as much as the electricians' scale under the code for the electrical repair and construction industry in the Toronto zone.

The assumption that the forty-hour week will spread the work available among more workers may hold in the case of large plants, but does not work in the case of the plumbing or electrical contractor with five or six men in his employ.

Small Firms Affected

In the factory where several hundred hands are employed a shortening of the work week may mean the addition of a score or more employees, but a contractor with a few men cannot profitably employ a spare man for a few hours each week. It simply means that the job spins out a little longer for the regular men being employed by the contractor.

Numerous complaints among employers have been made of the manner in which conferences to draw up schedules under the act have been called. The writer interviewed Mr. Marsh, the deputy minister of labor, a few days ago to learn what procedure is followed in securing proper and sufficient representation, as specified in the act.

Can Air Proposals

Mr. Marsh explained that if the request comes from the employees they are asked for a list of their employers. The latter are then called into conference separately by the department to discuss the proposal. Several such conferences with the employers may be held, and later a conference of the employees with their employers is arranged.

A proposed schedule of wages and hours is worked out at such joint conference or conferences, and when a tentative agreement has been reached the department advertises in the daily press a general conference of the industry in the zone to be covered. At this conference the proposed schedule is submitted.

Must Be Representative

He also explained that no schedule becomes effective until in the opinion of the minister of labor a sufficiently representative number of the employers and the representatives of the employees concerned have actually signed the agreement. He said that one schedule is held up at the present time for lack of employers' signatures.

If the request comes from both employees and employers in an industry the representatives of both are immediately called into joint conference.

The schedules in every case are limited to a period of twelve months, or may be made for a shorter period.

Trade Unions

In a number of instances the preliminary conferences to negotiate an agreement for a code have been called at the request of trade unions. It is alleged that only the employers of the union shops knew of these initial negotiations, with the result that the rest of the industry was not called in until the schedule was drawn up. At the general meeting of the industry the union scale had been presented and had been put through without due regard to prevailing wages throughout the open shops.

It would seem from Mr. Marsh's explanation of the method of first calling the employers of the employees who had requested a conference to a meeting by themselves, that just such a situation might easily develop.

Settled in Advance

While it is quite true that tentative agreements may be more easily arrived at when a smaller group meets, it is also apparent that the industry as a whole may have no voice in drafting the agreement which eventually becomes law. When the general meeting is advertised in the press everything is pretty well "cooked" to use the slang phrase, and thus the union scale of wages, which may be much higher than the prevailing wage rate throughout the industry concerned, is foisted upon the majority of the employers affected.

Builders, building-trade contractors, and employers in the millinery industry have expressed their disapproval of this method of negotiating agreements for the codes.

That certain features of this act as expressed in the schedules are unenforceable, that the measure as a provincial statute may not be constitutional, and that as a corrective of economic conditions it is abortive are considerations which weigh mightily against a very long survival of the Industrial Standards Act of Ontario in its present form.

NIAGARA FALLS REFUNDING PLAN TO APPEAR SOON

Finances Improve—Bonds Contrast With Other Defaulters

H. H. Walker of the Ontario Department of Municipal Affairs has been investigating the financial position of Niagara Falls with a view to arranging a scheme of refunding the city's debenture debt. As a result of the favorable showing in the city's finances, its bonds which were quoted around 65 last week are somewhat scarce.

A plan of debt adjustment will be prepared shortly, according to H. E. Goddard, city manager. Mr. Goddard expresses satisfaction that the city will be able to refinance on a different basis to other defaulting municipalities because it has paid interest in full. There has been no indication that the city cannot pay full interest, so that bondholders expect refunding will consist chiefly of deferment of principal.

Niagara Falls will have a surplus this year after paying full debenture interest, in the opinion of Mr. Goddard. The city will be in default of $711,716 of principal payments on debentures at the end of the year, but has paid interest in full.

Up to Oct. 31, the city had a large surplus over all expenditures, according to a report by Mr. Goddard. It should be noted, of course, that most of the year's revenue has been collected and that expenditures in November and December will probably reduce the surplus.

The accounts show:

Niagara Falls Cash Position
Oct. 31, 1935

	$
In bank, January 1	52,152
Sundry revenue	179,595
Curr. tax collections	612,213
Arrears, tax collections	296,818
	1,140,778
Less: Expenditures incl. interest	696,583
Loans repaid	217,000
Transferred to relief	*80,000
Balance, Oct. 31	147,195

*To be recovered from province.

Bank borrowings have been paid off, with the exception of secured local improvement loans. Exclusive of outstanding cheques, the city had a credit balance at the bank on Oct. 31 of $205,753.

Municipal Finances

Verdun, Que., will close 1935 with a surplus. For 1936, a budget of $1,337,436 has been approved by council. Real estate taxation is being reduced about 15 per cent for next year. Most of the reduction in civic salaries is being restored. Savings in administrative expenses offset the cost of the restoration.

* * *

East Windsor collected 74.8 per cent of the current tax levy up to Oct. 31. Collections, including arrears, exceeded the 1935 levy by $30,737, so that total arrears are being reduced.

* * *

Sandwich, Ont., had collected 66.8 per cent of the 1935 levy at Oct. 31, and must collect 75 per cent to comply with the budget requirements.

* * *

Walkerville has collected more than 75 per cent of the 1935 tax levy, without taking arrears into consideration.

* * *

Brantford shows a surplus of about $40,000 for 1935, but this does not include unemployment relief, $350,000 of which has been funded in the last two years. Net debenture debt at December 31 will be $4,375,280, compared with $4,327,966 in 1934. Inclusion of relief costs in the tax levy will raise the mill rate, unless some other disposition is made of relief.

* * *

Port Arthur tax collections to Nov. 18, including arrears, amounted to 100.6 per cent of the 1935 levy. This compares with collections of 93.5 of the levy to the same date in 1934. The improvement is chiefly due to an increase of $68,180 in collections of arrears.

* * *

Toronto sinking fund's surplus earnings since 1925 have been: City, $2,778,636; Board of Education, $881,261; Hydro System, $719,486; Transportation Commission, $162,637. These amounts have been used in redemption of debt prior to maturity.

* * *

Georgetown, Ont., has been free of new bank borrowings this year, and has repaid over $17,000 of former loans.

* * *

Winnipeg will have a deficit of more than $1.5 million in 1935, according to Alderman Cecil Rice-Jones. He predicts that the tax rate will advance at least two, and possibly four, mills in 1936. Retrenchment of expenditures was recommended. The city is receiving tenders up to Dec. 6 for 25,000 lineal feet of sewer as part of the greater Winnipeg sewage disposal scheme.

* * *

Brampton has collected some $169,000 of the 1935 tax levy of $197,000. Of total arrears of $57,000 at the beginning of the year, some $20,000 has been collected.

* * *

Orillia has passed a by-law authorizing issue of $80,000 of 5-year debentures carrying 4 per cent. Formerly it had been intended to issue $100,000 of debentures. The issue is to finance the town's new power plant at Minden.

* * *

London bond issue of $63,000 is to be passed upon by the Ontario Railway and Municipal Board. It is a relief loan. Mayor Wenige reports that the London & Port Stanley Ry. had a net deficit of $182,872 for the first nine months of this year, some $40,000 higher than in the 1934 period.

* * *

Victoria, B.C. officials favor alteration of the B. C. municipal taxation system. They approve the recommendation of the Vancouver Real Estate Board that a smaller tax be placed on land, and that an occupancy tax based on net rental values be levied.

* * *

Ottawa collected 85.4 per cent of the 1935 levy of $6,230,334 up to Nov. 19. Total tax collections to Nov. 18 were $146,953 ahead of 1934. Gross debt, including the new debenture issue is $23,779,381. Sinking fund is $4,808,474, leaving net debt at $18,970,907.

* * *

Calgary has exhausted the total appropriation of $690,000 for relief for 1935, and has made a supplementary appropriation of $100,000 for this purpose, and is applying to the Dominion government for the funds.

* * *

Edmonton assessment for 1936 is $53,952,995 compared with $56,475,850 in 1935. The reduction is due chiefly to forfeiture of property to the city for non-payment of taxes.

* * *

York Township, Ont., tax collections were $1,397,169 to October 31. This is 55.74 per cent of the 1935 levy of $2,506,312. This year's collections are higher than any year since 1930.

Railway Operating Income Reflects Seasonal Changes

From Our Own Correspondent

MONTREAL.—Seasonal improvement in railway operating revenues is indicated in the October report of the Canadian National and Canadian Pacific Railways. During that month, gross operating revenues increased in the aggregate by nearly $3.5 millions, while the advance in net income was just short of $1 million.

Operating ratio of the Canadian National last October at approximately 79.5 reached the lowest point of any month since the beginning of 1934. Examination of the ratios of the C.N.R. shows that since last June, the showing made by the Canadian National has been consistently better than for the corresponding period of 1934.

Canadian Pacific Railways' operating ratio in October was the best reported to date, and was somewhat higher than for the corresponding month a year ago. Since last March the operating ratio of the Canadian Pacific has been above that reported for 1934. This is the opposite to that experienced by the Canadian National, which as pointed out, has been on the down-grade since last June.

Weekly interim reports on gross operating revenues during November indicate a further increase in gross income. An advance in operating expenses is to be expected, but net revenue from railway operations for November, 1935, should be higher than those for 1934.

Power Corp. Production At New All-time Record

From Our Own Correspondent

MONTREAL.—Power output of companies controlled by, or affiliated with, Power Corp. of Canada registered an all time monthly record for October last. The total of 185.2 million kw.h. was 18 per cent greater than the total for the same month last year, and 5.6 million kw.h. higher than for January, 1930, which was the previous peak month.

Each of the companies recorded a substantial increase in October last, with the exception of a small decline noted by Northern B.C. Power.

Comparative output figures are as follows:

October:	1935 kw.h.	1934 kw.h.
Southern Canada	17,085,780	13,186,610
Canada Northern	50,408,819	47,352,172
East Kootenay	7,313,062	4,854,164
B. C. Power	43,945,900	40,310,448
Northern B. C.	885,504	918,680
Winnipeg Electric	18,860,400	18,441,400
Manitoba Power	46,585,000	31,856,000
Northwestern Pwr.	161,800	106,100
	185,246,285	157,025,574

Montreal Property Owners Want Electric Rate Survey

From Our Own Correspondent

MONTREAL.—Montreal Property Owners League has appointed a committee to make representations before the newly appointed Quebec Electrical Commission to institute an enquiry into Montreal electricity rates as compared with those of other large cities throughout Canada.

In addition to rates, the committee is to investigate the term of the contracts between the City of Montreal and Montreal Light Heat and Power Cons.

Railways Place Orders For New Brunswick Ties

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway has placed contracts calling for delivery this winter of about 300,000 railway ties from New Brunswick operators. This doubles last season's purchases by the railway, when 150,000 ties were delivered.

Expectations are that Canadian National Railways will buy another 150,000 ties, bringing the total cut for the province to 450,000 ties.

Ties cut during the winter will be creosoted in 1936 and used by the railways in 1937. The ties will be 90 per cent hardwood and the balance softwood.

Florida's Orange Growers Deny Dyed Fruit Inferior

From Our Own Correspondent

WASHINGTON.—Florida orange growers and shippers are up in arms. The reason is the reiterated determination of the U.S. department of agriculture's pure food and drug administration to stop, after September 1, 1936, the growing practice of applying yellow and orange coal-tar dyes to the peel of Florida oranges.

A conference of representatives of the Florida fruit men two weeks ago with Secretary of Agriculture Henry A. Wallace failed to shake the decision of the department. According to Dr. W. G. Campbell, chief of the pure food and drug administration, no criminal prosecutions will be instituted.

To Seize Shipments

Instead, the plan is to make four or five seizures of such exteriorly colored oranges, and proceed with civil suits in the courts of jurisdiction where the seizures are made.

The department is aware of the fact that not only have the Florida citrus fruit growers and shippers invested large sums in equipment necessary to the process, and also that refusal to permit them to give the fruit a deep golden color puts the Floridians at a disadvantage with the California orange shippers, though by sugar, acid and juice tests, the Florida fruit is claimed to be superior.

Concealment Clause

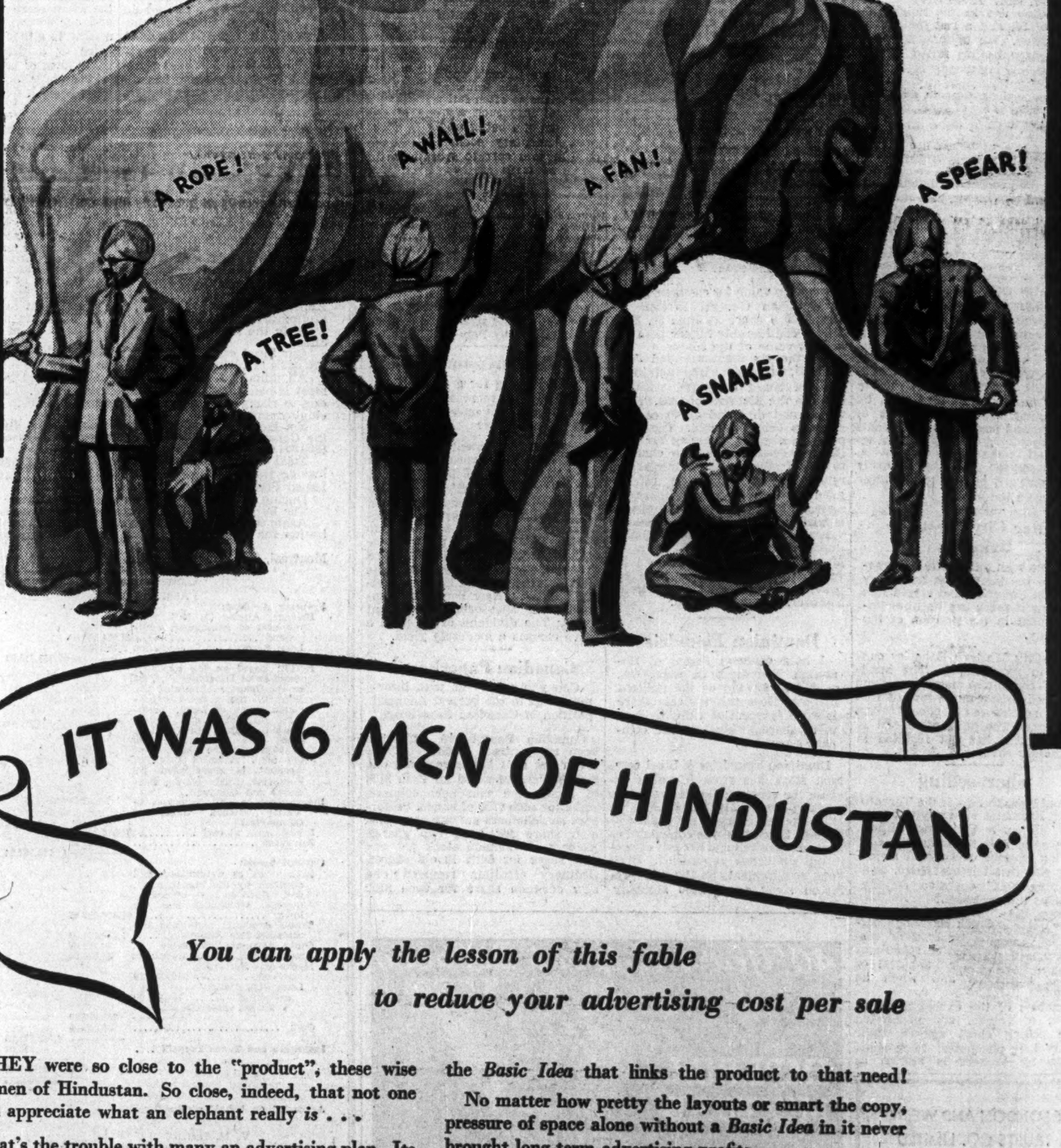
A fine legal point is involved as the department plans to proceed under section 2 of the Pure Food and Drug Act which prohibits "concealment of inferiority or damage" of the fruit. The Florida fruit shippers using the coloration process have all been complying, it is admitted, with an order of the department issued July 16, 1934, requiring them to disclose such coloration to the purchaser by stamping each orange "color added."

Matter of Taste

The whole question, of course, is whether oranges of 8, 9, or 10 parts sugar to one of acid are "inferior" and naturally involves taste. California shippers, of course, are only too pleased to see the federal government checking the growing competition of the colored Florida oranges so that the dispute becomes partly a struggle between two orange producing sections of the United States. The reality centres about the eagerness of shippers in each section to get their fruit on the market first or, at least, simultaneously.

Department Firm

The department contends that the subject has been thoroughly threshed out; that ample time has been allowed shippers and growers to make necessary changes by extending the date of enforcing the order to September 1, 1936, so that this year's crop is not affected; and finally, in the ultimate analysis, the courts must interpret the law.



A ROPE!
A WALL!
A FAN!
A SPEAR!
A TREE!
A SNAKE!
IT WAS 6 MEN OF HINDUSTAN...

It was six men of Hindustan,
To learning much inclined,
Who went to see the elephant,
(Though all of them were blind),
That each by observation
Might satisfy his mind.

The *first* approached the elephant,
And happening to fall
Against his broad and sturdy side,
At once began to bawl,—
"I clearly see the elephant
Is very like a wall!"

. . . you remember the rest of the fable . . . the picture shows it.

Now it's like that in advertising even such simple things as soap or radios or tires. A multitude of chosen themes . . . "each partly in the right and all of them wrong".

Why? Because adequate research, experience and intuition have not been applied to studying the *consumer!* And what the article is *to him.*

You can apply the lesson of this fable to reduce your advertising cost per sale

THEY were so close to the "product", these wise men of Hindustan. So close, indeed, that not one could appreciate what an elephant really *is* . . .

That's the trouble with many an advertising plan. Its viewpoint begins "too close to the elephant". The result is that millions of advertising dollars are wasted every year exploiting features in which people have no interest.

Advertising costs per sale go down only when we know what the product means to the *consumer* . . . in terms of some vital human need or emotion—when we have found the *Basic Idea* that links the product to that need!

No matter how pretty the layouts or smart the copy, pressure of space alone without a *Basic Idea* in it never brought long-term advertising profits.

The J. Walter Thompson Company Limited has become the most vital, the *fastest-growing* agency in Canada today, simply because of a proven capacity to *find* a basic emotional idea in each product, to *use* it dramatically, and to *keep on* using it.

How rich in pay ideas was *your* advertising this year?

J. WALTER THOMPSON COMPANY LIMITED
MONTREAL ADVERTISING *TORONTO*

THE FINANCIAL POST

SECOND SECTION

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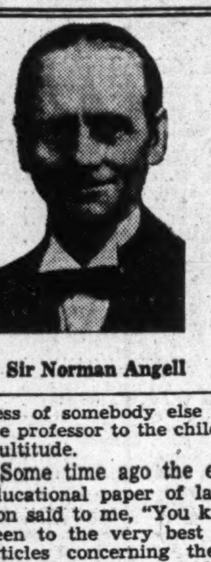
The Money Maze and the Plain Man

Money Complexities a Myth Says World Economist—Advocates Educational System Which Will Make Average Man Familiar With Workings of International Trade

Sir Norman Angell



Sir Norman Angell

Sir Norman Angell, who spoke recently to members of the Canadian Club, Toronto, is one of the world's outstanding authorities on political and economic affairs.

For some years a member of the Council of the Royal Institute of International Affairs, and a recipient of the Nobel Peace Prize, Sir Norman is nevertheless most widely known as the author of "The Great Illusion," published in 1908. The book has been translated into 25 different languages and over a million copies have been sold.

By SIR NORMAN ANGELL

In an address before the Canadian Club at Toronto, Dec. 3

It is said that there are two things which always addle the brain: love and currency.

We are going to talk about currency. Most of us will agree that if it does not addle your brain it addles the brain of the man who, perhaps, disagrees with you on the subject. All politics seems to be in danger of becoming entangled in complexities which, I think we might agree, seem to be getting beyond the plain man.

You have heard Sir Josiah Stamp on Monday, telling you to save everything you can; and John Maynard Keynes on Tuesday, telling you that the way to prosperity is to spend everything you have. What is the poor layman to do when the doctors disagree to that extent?

An Analogy

There is a great deal the layman can do. I want to draw an analogy. We know that doctors in medicine as well as economics disagree, as anyone who has been to two specialists knows very well indeed, yet does that mean that we laymen have not benefitted by this very inaccuracy of medicine? Why, medicine has enabled us laymen to transform our lives.

Only a generation or two ago life in this world was rendered horror-stricken by things more evil than war—by cholera, bubonic plagues, black deaths, plagues of London that used to cut our population in half.

In the thirteenth century one-third of the population of England were lepers. They have been abolished by the laymen making use of the very inexact science of medicine because the doctors of medicine have said, "There are not many things we are agreed on but there are some things we know, for instance, that we can't cure bubonic plague but we can prevent it."

With Laymen in Command

I suggest to you that if we laymen had been able to take over from the economists, the doctors of economics, during these last fifteen years, those things about which no economist in the world differs from another—if we had been able to, most of the economic pestilences which have come upon us would never have occurred.

I don't propose that the laymen could have cured all evils but I do suggest to you that if your education had been such as to enable the ordinary voter to understand things, then most of this economic pestilence, unemployment, devastation, would not have occurred.

Reparations

Sir Arthur Salter, in his book, "Recovery," says if all the Allies had been approached to do in 1920, what they were compelled to do at Lausanne in 1932—surrender reparations, the inflation in Germany would not have occurred; Hitler would not now be there, and the history of Europe and America would be entirely different."

Now, why didn't the Allies do in 1920 what they did twelve years later?

Because the public wouldn't let them. No government in the world could do what they knew to be wise because the public were planning to make Germany pay the whole cost of the war.

Why wouldn't the public let any government do what was wise? I suggest that the monetary question involved was not more difficult to understand than the micro-organism of disease.

With the failure to understand what has perhaps destroyed western civilization, we pressed that bill, and attached a condition which said, "You shall pay but you must pay in money and not send us your goods."

Now how much bullion, gold bullion, did Germany have? If we had been able to get every gold earring, etc., we might have had one per cent of the actual bill presented.

One man said, "Pay, pay, how is Germany to pay? Why pay in money! If the butcher owes me a hundred pounds I don't have to take it in beefsteak. And if Germany owes us money, we don't have to take their goods."

Gold or Bullets

He had a plan, he said. "If the government would give me a few regiments I would go to Berlin with a few motor trucks and I would say, 'If the money is not loaded into these trucks by Monday, two of your cabinet ministers will be shot—the victims were to be chosen by lot—and if by the next Monday the money was not loaded, the same penalty would apply. By the second Monday I would have the money.'"

I said, "Very good, suppose your plan succeeds and those trucks are loaded with that money, what would you do with it? Remember it is not gold. We have taken all the gold. This is German paper money. What would you do with it in London? The butcher and the baker would not take German marks. That money has value in one place—in Germany where you can truly exchange it for goods. But you have attached a condition that those goods shall not leave Germany. So how are you going to use the money thus collected—German money brought to London? Will you distribute it to the population at large, who must migrate to Germany and drink beer until the reparations are exhausted?"

Ten Years to Learn

Is that so very difficult to see? It took our people ten years to see it. The French don't see it yet, and the American senate has taken a vow to high heaven that nothing on earth shall ever persuade it to see it.

There is only one way in which a nation can pay its debts and that is by export. I seriously suggest to you that a failure to understand something which could have been explained to a high school boy in half an hour may possibly have destroyed our civilization.

Money in the Pocket

From the day I entered school I didn't hear one word about that thing which concerns us every day of our working lives—which is the money in our pockets or in our banks—not one word.

Don't you think that is a curious scale of values? That we have to learn a great deal about the heavenly bodies—well now, our opinions about the heavenly bodies wouldn't alter the facts. We might believe the earth to be flat as a pancake but the ships would still navigate to and from Liverpool.

But when we believe that a nation can go on paying in money and never have their goods accepted, the opinions become the facts and the ships no longer navigate to Liverpool.

Failure to Learn

And the failure of the public to understand what money is, how things are paid for, what is international trade and its necessary conditions makes it impossible for us to erect a workable world for each country to make the best of its resources.

We face devastation, dangers, dislocations, disorders and disorganizations beyond imagination because somehow or other our education has failed to equip us to understand things which aren't much more difficult to understand than the transmission of disease.

I am afraid that this defect in our education is not going to be solved by the simple process of adding a subject called economics to your curriculum.

I am always afraid of what happens to any subject when the professors get hold of it. A student of mine once said, "There is nothing so simple that my German professor cannot make it incomprehensible."

Interpretation

It is the professor's business to find out the truth and it is the business of somebody else to interpret the professor to the child and to the multitude.

Some time ago the editor of an educational paper of large circulation said to me, "You know, I have been to the very best men to get articles concerning their business and I have not been able to get one who could write an article that I could understand."

I said, "When you speak of the best men, whom do you mean?" And he recited all the great authorities on money and currency in Great Britain.

I said, "You went to the authorities on currency—you should have gone to the authorities or experts in explanation—the expert in explanation would have to go to the expert in currency."

Functions Are Separate

But the two functions are distinct, quite distinct, and yet when I have sat on boards of education the first thing the committee does when it is appointing a teacher is to get his academic standing and to see if he is a great fellow in research.

He may be as wise as Einstein, but you wouldn't take Einstein to teach the multiplication table to an infant. The two things are distinct and yet we so often get them confused. We have to create a new science—the science of explanation and clarification.

Because we haven't applied that very commonplace knowledge that our politicians so often fail to apply, and we get into such a mess like this problem of a better understanding of elementary economics, we may have to resort to new tools, blaze new trails in educational methods.

Budget

How can we get into our schools a better knowledge or understanding of the nature of money? Teachers, educational authorities said to me, "Oh, but you know, we could never tackle this problem of money in our schools—it is too complex."

I replied, "The game of bridge would be perfectly incomprehensible if you attempted to teach it as we teach economics. Not by visual demonstration, but with textbooks and oral explanation." The teacher would stand on a platform, facing a class that have never seen a pack of cards, and he begins very accurately and scientifically in about this way.

The Game of Bridge

He says, "The game of bridge is played by the distribution of fifty-two specially designed discs, divided into four classes or denominations; these separate denominations, consisting of discs of an ascending scale of values, the whole distributed by the players in rotation, each distributor having the right of determining, etc."

Nobody has the faintest notion of what it is all about. How long would it take to teach bridge by that method? After taking a two years' course at a university, exceptional students would be able to play a very indifferent game.

I have never played a game of cards in my life and I hate them as the devil hates holy water—they are such an interruption to conversation.

And like the old cowboy, whom I know out west, on having ridden forty miles to talk to his neighbor, he had to play whist. His partner said, "Well, didn't you see I led so-and-so." And he said, "I've quite enough to do looking after my own cards without bothering about yours!"

Visual Demonstration

If we sat down with the cards before us and subjected the thing to a visual demonstration, in an hour or two you will have achieved an understanding that would have been impossible under the other method. It is the latter method that we must employ in the teaching of currency.

However, just to prove that the thing could be done, I sat down once, during an illness, to devise a game of banking to see if it could be done along those lines. I think it has been put to sufficient trial in Great Britain to show that perhaps, along those lines, we may be able to carry home to the multitude explanations which we must carry home by one means or another if our very vulnerable civilization is not to be subjected to a strain which will, perhaps, destroy it.

Printing Money

One of the astounding things is that if you look back in history you will find those who believe you can cure the whole thing by printing money—it is old, of course—you will find that the Romans tried it—they had inflation through diminishing the quantity of gold in their coins until finally their gold coins contained about one per cent of gold. Inflation is as old as the history of money.

We may not know the ways out but we do at least know that we have to keep sewage out of our drinking water if we wish to escape plagues.

We do know that, although we are not doctors, if we have infected sewage and allow it to get into our reservoirs, we shall not escape plagues.

Blaze New Trails

You are a young nation. You can, perhaps, blaze trails which older nations find more difficult because they are in the forests of old tradition. And I suggest that you may have to, educationally, blaze a trail that is indispensable to the good working of democracy.

Democracy is now challenged by a very epidemic of dictatorships. Disparagement has come because we have come to realize that it is difficult, that our problems are much more complex than they used to be but you are not going to solve them through dictatorships. There is no salvation for mankind through other than intelligence.

The world has suffered much more from mistakes of good men than from the wrong deeds of evil men, much more. You see that means there is a moral obligation upon us to be of much faith and intelligence.

"Muddling Through"

I remember once standing in Geneva where one of our men was making a case against one of the French ministers. "You must accept our position," he said, "You have accepted A. B. C. and this follows as perfectly logical."

And our man replied, "Oh, logic, we Englishmen don't believe in logic. We believe in muddling through," evidently a little proud that he wasn't able to follow the French minister.

The French minister said, "Really, I think you Englishmen believe that your stupidity is a gift from God." He said, "Well, that may be. But it's a gift not to be abused."

Character will sometimes work as a substitute for intelligence and knowledge but I wonder if we are not sometimes proud of our lack of knowledge.

Our Readers and Ourselves

Training Writers

T. B. Costain and Hugh Eayrs Among Successful Graduates of MacLean Publications

By JOHN BAYNE MACLEAN

Founder and Chairman, The MacLean Publishing Company, Limited

Some years ago, Dr. Hutchins, of the University of Chicago, then the youngest university president in America, in a public address said that business newspapers were the chief media of adult education. Then he added, with a smile: "Some of our newspapers still question whether I am yet old enough to be classed as an adult."

Adult education is the work we have been trying to do in this institution—and I feel with considerable success—during nearly half a century.

It has been directed specially to promoting prosperity and happiness by gathering and printing important news; interpreting it in the light of knowledge and experience; and by advocating sound policies based thereon—oftentimes unpopular or in advance of current opinion.

Promoting Prosperity

We have not only done this directly through the columns of our own group of business and technical newspapers and news magazines, but through constant personal contacts with our readers (we have had as high as 50,000 letter requests in a year for practical information and advice from our readers in every part of Canada); through the training and inspiring of our own young men and women in good business policies; and through many indirect activities.

The many and continuous cordial evidences of our successes in these endeavors have been our greatest rewards for the very strenuous and often disheartening lives we have led in our efforts to serve our readers.

Don't call this Utopian. It is for this service our readers pay us.

Baxter and Costain

In my recent story (The Financial Post, November 23) on the election of Arthur Beverley Baxter to the British Parliament by an amazing majority, I referred to him as one of our "finds." He had been kind enough to give me the credit, writing:

> "I shall never forget as long as I live that it was your faith in me that started me in a career which I sincerely hope will be of some use to my generation."

But, as I said, it was T. B. Costain who coached him in his first steps to successful writing.

Costain himself got his training in higher journalism with us. Beginning as a reporter on the Brantford Expositor and Guelph Mercury, he sought an editorial position on one of my business newspapers, then under H. T. Hunter, now our president. Mr. Hunter brought him to me. There was something promising about him, but we had some doubts as to whether he could be trained to fill the position then open, which required some knowledge of merchandising methods. Some months later we again sent for him. He looked better and we took chances on him. He had a fine character, and did good work. Later he was transferred to Maclean's Magazine, eventually being promoted to its editorship, where he came under H. V. Tyrrell, now our vice-president. There he found his place and made his mark as a writer.

Eventually his good work brought him an offer from the Curtis people in Philadelphia. He joined the staff of Ladies Home Journal and later became Lorimer's chief aide on the Saturday Evening Post, where he rose to the top and was probably the largest buyer of fiction in the world. Like Baxter, he was finally captured by the movies as a literary critic. He is now with Fox.

Training Young Writers

During his time with us he did great work—as the present editor of Maclean's Magazine, H. Napier Moore, is doing today—in encouraging, aiding and training many young Canadian writers who have since attained real successes.

One of his associates on my staff was Hugh Eayrs. Between them they wrote one of the most popular serials.

Eayrs could always find the humorous side—even in grocery markets. He was market editor of Canadian Grocer, my first business paper. He was painstaking and accurate, as one must be on that job where a slight error in figures or news may cost some readers thousands. But Eayrs always strove to put "wise cracks" in the headings, until they became dangerous, though they were looked for every week by thousands of merchants across Canada. We had to satisfy him with a comic strip, which he had suggested—"Ethelbert Evergreen, the Junior Clerk." Then Sir Frederick Macmillan came over from England and offered to promote him from market reporter to publisher. The temptation was too great and now he is president of the Macmillan Co. of Canada and making a good job of it.

Poetry a Problem

Another trouble I had with Costain in his early days was the poetry problem. Until experience and courage taught him resistance, budding writers were able to sell him trash and he would waste our columns printing it. Finally, I told him not to run another line of poetry in the magazine. Months afterwards he did print something. It was very good, entirely different from what we had been running, and just what I knew our readers wanted. I asked who was the writer. He was quite confused and apologetic until I told him that was the kind of matter we wanted and to encourage the writer and get more of it. Then he admitted, with some relief, that his wife was the author.

We have not been popular in this institution with writers of poetry or with the brilliant, book-taught young university graduate in economics. The great majority of the latter have been failures with us. There have been, of course, many exceptions like Horace Hunter—who came to me on graduation 32 years ago and has risen steadily to the presidency; the late Stewart Houston, first editor of The Financial Post. Both were outstanding successes.

"Over-Intellectualized"

It has been encouraging to receive, last week, support for what we stand for from our highest authorities—Their Excellencies.

The Governor-General, at Montreal, spoke of the "stupidity of the clever," and drew the moral: "Never distrust the instinct and judgment of the ordinary man." All through history, he said, it would be found that the very clever people, when they forecast the future, were nearly always wrong.

The only explanation he could offer for this was the simple one:

> "They are far too clever........ They over-intellectualize the world. They are too logical. They work wholly by intellect and are lacking instinct.
>
> "This is just where the plain man scores. He is not intellectual. He is not too logical, but he has a curiously sound instinct, just because he is so close to real life, about what things are actually going to happen."

Speaking of poetry, Lady Tweedsmuir gave vigorous support to modern literature. She contested what she termed the popular conception that modern poetry and prose were of little value. "Literature of our time," she said, "has an appeal that of the past did not contain. Most of our modern poets don't bother with moons, June and love," but they were still touching even though their theme may be factories and machine guns. "They have a certain courage and starkness of outlook which draws us to them."

INSURANCE MEN TAKE 1934 BASE FOR VALUATIONS

U. S. Chiefs Adopt New Treatment For Municipal Bonds, However

Special Correspondence

NEW YORK.—There will be little change from 1934 in the method of reporting year-end financial statements of insurance companies.

This was decided upon today by the National Convention of Insurance Commissioners of the U.S. representing practically every state in the Union.

The Canadian Federal Department of Insurance, a week ago, ruled it would follow the same system as last year. The Canadian formula differs from the U.S. method but the results are substantially the same. As in recent years, the provincial superintendents of Canada will follow substantially the U.S. formula.

Municipal Bonds Changed

In the United States, for years, insurance companies have been permitted to amortize bonds, amply secured, and not in default, but in Canada amortization of bonds is not permitted. A fair market value is placed on them.

Practically the only change is in the method of valuing municipal bonds not in default. They will be valued at a mean of 1934 established prices and market quotations of July 1, 1935.

To Amortize Bonds

Companies generally in the U.S., as in the past, will amortize bonds, amply secured and not in default. They will value other securities at market prices. Life insurance companies may use book or cost value, whichever is lower in the aggregate, providing income maintains policy obligations.

Important Body

The valuations committee of the convention is one of the important sections of the convention and is headed by Louis H. Pink, N. Y. state superintendent of insurance.

The committee's recommendation that little change should be made was passed at an open meeting of the convention. The commissioners, in passing the basis, feel that last year they arrived at a sound and conservative method for reporting of year-end statements of insurance companies and for this reason feel there is no need for any changes.

The ruling means that the U.S. and Canada agreeing on terms, American companies operating in the Dominion and Canadian companies doing business in the U.S. will make their returns on substantially the same basis as 1934.

West Begins to Buy Big Retailers Say

Despite Rust Loss, Better Feeling Prevails on Prairies

By GORDON L. SMITH

WINNIPEG.—Western business is coming back.

There are still many "ifs" and there is no evidence yet of a general exodus of prairie farmers to California for the winter. One can still rent residential and office space in the large cities at moderate rates. Relief expenditures are continuing and there is little hope of complete balancing of provincial budgets this year. But, on the whole, business, and particularly cash business, is definitely on the up grade.

Wheat Crop Hit

Ask why, and big grain men especially will be inclined to shake their heads. Prices in their line have been higher than last year, it is quite true, but the wheat crop throughout a large part of Manitoba and south-eastern Saskatchewan was badly hit by rust.

In Northern Alberta and to some extent in Northern Saskatchewan also there was early frost which cut wheat to the extent of over 50 million bushels from a possible No. 1 grade to a doubtful No. 4. Around Lethbridge in southern Alberta a limited area was subjected to the worst drought in over 20 years.

Collections

Ask bankers and mortgage men about collections and they also will shake their heads. In the same area as that blasted by rust, debt collections have been running materially behind 1934, but over the whole four western provinces it is expected that the total result will about equal 1934 results. In other words, losses in Manitoba and southern Saskatchewan and the two extremes of Alberta will probably be offset by better collections in these areas where crops were good.

Retail Sales Up

When one turns to the retailer, however, the story changes. Business is running well ahead of this time a year ago. Much of this improvement is coming from southern Saskatchewan and Manitoba and, in some cases, the very area where rust was serious. Alberta is better in the centre, but off in the north and south. British Columbia seems to be running slightly ahead of a year ago. So far, one gathers, the improvement largely comes from the rural sections and most business men interviewed here by The Financial Post believe that it will continue throughout the winter.

Mixed Farming Better

Why retail business should gain while debt collections should fall off is largely explained by the wheat failure in the areas where this trend is noticed. Wheat has long been the big cash crop of the West. Out of this loans are repaid and taxes met. Out of this big capital, expenditures such as for farm machinery, building and additional land usually come.

But the very conditions that favored the spread of rust, that is moisture before and during ripening, brought along later-sown coarse grains, fodder and pasture. This is the raw material for mixed farming. It is from such that year-round revenue is produced in the form of beef cattle, lambs, eggs, milk and butter. It is apparently such revenue that is finding its way in increasing volume into the hands of western retailers.

Trade Treaty

In this connection the recent trade treaty with the United States, most Winnipeg opinion believes, will play an important part. While considerable regret is expressed that some consideration was not given to wheat in this agreement, or at least to some grades of wheat, there is general agreement that the pact will materially improve revenue, especially in the growing mixed farming areas of the West and in the ranching districts of southern Alberta and southern Saskatchewan.

Hotel men are the only people to voice any direct complaint against the trade treaty and they believe that their sacrifice will be only temporary. "Usually at this time," one assistant manager stated, "we have a large sprinkling of commercial travellers, but recently these apparently have been called back by their firms which are busy revising price schedules in anticipation of a new orientation in trade."

Industrial Codes

In Winnipeg some reaction from the inauguration of industrial codes by Ontario and Quebec is noted. At least one or two of Manitoba's clothing manufacturers have voluntarily unionized their labor and signed up wage scales for a full year. Work lost to the factories of Ontario and Quebec through higher costs has been diverted to plants in this city. Employers, now guaranteed against labor troubles for a year at little additional increase over present scales, are in a position to reap full advantage of this unlooked-for business from the East. It is pointed out, however, that factories in this province are not numerous enough to cope with anything more than a fraction of the business done by the two older provinces.

Ontario the Goat

Incidentally several big purchasers of the output of the garment trade expressed the opinion that Ontario is being made the goat in this industrial code crusade. They doubted whether the codes would be taken as seriously in Quebec as they would be in Ontario, with consequently more chiselling in the former at the expense of the latter.

Aside from anxiety in grain circles regarding the disposal of Canada's wheat surplus, the whole western picture as seen from this gateway appears somewhat brighter. There is no boom but undoubtedly a better feeling. The writer was warned to expect some reaction, however, when winter really sets in. "That is the time when mankind usually begins to brood over his woes," one observer stated. "In one of the service departments of the Manitoba government, for instance, the volume of 'kick' mail more than doubles with the coming of the long winter evenings. Many people have nothing else to do then but write letters."

See Danger to Auto Exports Arising from Trade Policy

The brief of General Motors of Canada to the Tariff Board claims that the arrangement made at the Ottawa Conference regarding motor cars in the United Kingdom was not one affecting only English cars in Canada and Canadian cars in the United Kingdom, but involves the trade within the British Empire.

"Plainly the United Kingdom is using its protective tariff to attract industries, including those of the highly developed United States," it says.

English Cars Duty Free

"The United Kingdom has adopted the very policy which contributed so measurably to Canada's present stage of industrialization. Canadians may not regard English cars as 'good value,' although obtainable free of duty; and some English people may prefer Canadian cars, although they carry a duty, but the interchange of automobiles between the two countries is only one aspect of the situation.

The U. K. Market

"Are cars to be made for the Empire exclusively in the United Kingdom?" it asks. "The question is a natural one, upon reflection, for with about equal preference in neutral markets, the factory located in the United Kingdom has a home market of more than 40 million people, with free entry into Canada. The factory located in Canada has a home market of 10½ million people and its product enters the United Kingdom only upon payment of a duty higher than the duty which Canada imposes upon the popular priced automobiles of the United States."

Where Money Goes

In dealing with the division of the selling price of a $1,000 car at, say, Winnipeg, the brief points out that of that amount the dealer takes $236.20.

The transportation company demands $100.80; and a third agency has already been helping itself, for governments have taken $87.70.

After these deductions, the company is left with $575.30, out of which to pay for materials, including parts, and to provide for its own factory and selling costs, before there is anything to be added to profits.

It is claimed that Canadians pay less for their automobiles than any other British people.

Mr. "Britling" Taschereau

Quebec Business Men Don't Like Uncertain Political Outlook—Premier Says He Will "See It Through"

From Our Own Correspondent

MONTREAL. — Premier L. A. Taschereau, like Mr. Britling, intends to "see it through." This is his answer to rumors that have been going the rounds since the provincial elections two weeks ago, when the Taschereau government came within an ace of being defeated.

His government is returned to power, but instead of the customary overwhelming backing, the party will have a majority of only five over all opposition after election of the speaker.

This change in public opinion against the Taschereau party—bearing the imprint of the individual rather than Liberalism—has given rise to widespread speculation among business men in Quebec as to what will be the future policy of the government.

No Opposition to Policies

In the past the Taschereau government has paid no attention to the minority opposition in the House. The government has set up its own policies and carried them through without opposition.

Such policies, on the whole, have been reactionary, and what reform legislation has been enacted has been the result of political pressure rather than a desire on the part of the government to adjust itself to changing times.

This ultra-conservative attitude of the government built up an organization which has monopolized patronage for the benefit of the "Old Guard," and caused the young Liberals to break away and form their own organization.

The rebellion of the young Liberals, as represented by L'Action Nationale Liberale, and the increasing strength of the Conservative forces, resulted in the cutting down of the Taschereau majority to a point where, for the first time in several decades, the government in power has an opposition which must be considered.

Business Men Interested

Quebec business men would like to have seen the Taschereau party returned with a larger working majority, as it would have ensured a stable government and continuance of "Taschereau policies." In the past they have been apathetic toward provincial politics. Now they are given to wondering what effect the turn in the political field is likely to have on their own interests.

The opposition forces are definitely opposed to the "vested interests" which they allege have had too much influence at Quebec City. The young Liberals have been particularly loud in expressing opposition to the power companies.

There is no doubt that in their present frame of mind the opposition forces would enact legislation detrimental and even harmful to business interests if they came into power.

Gives Them Concern

Business men, therefore, are concerned over the immediate future. For the first time in 30 years they are faced with a governmental situation which they do not know just how to handle or what to do about it.

Premier Taschereau has reiterated on several occasions since the election that he does not intend to resign. There have been rumors to this effect for many months, and since the election they have become more persistent.

Taschereau "Resignation"

It is felt that the resignation of Taschereau would strengthen the old-line Liberal party and reduce the opposition from the L'Action Nationale and the Conservative forces.

This might be the case, but there is no one in the government sufficiently progressive to meet the demands of the opposition, so that little would be gained by the resignation of the premier.

Even within the ranks of the government party there is a lack of cohesion. Some of Taschereau's followers are not altogether satisfied with his leadership. The success of the opposition at the last election strengthens the hand of this faction. Consequently Taschereau has to fear, not only the opposition, but possible deserters from his own group.

Wait and See

The opposition party apparently is in no hurry to test its strength. The attitude of the leaders, Paul Gouin, son of the late Sir Lomer Gouin, and Maurice Duplessis, leader of the Conservative party, will likely be one of consistent opposition, and the continued building up of an organization with a view to another provincial election before long.

All of which may mean vacillating government. The Taschereau government will stay in power just as long as the electors vote their support.

B. C. to Modify Plans For Health Insurance

From Our Own Correspondent

VANCOUVER.—Health insurance may be all right in principle, but it is too costly in practice, according to an analysis of submissions filed with the British Columbia government.

The government proposed a system of health insurance at the last session of the legislature, but so much opposition to it was introduced that any attempt to get action then was deferred.

Dr. G. M. Weir, minister of health, is still convinced that health insurance should be adopted in this province.

It would not surprise anyone if a form of modified insurance was introduced at the next session, but present indications are that the bill will bear little resemblance to the original draft, which was pretty ambitious.

Labor, women's organizations and social welfare bodies strongly favor health insurance.

Opposition has come from doctors, hospital directors, retail merchants, manufacturers, fraternal organizations and others.

One strong argument was that B.C. should await federal action, although Dr. Weir has repeatedly asserted that a system adopted here could be made to dovetail with any federal measure that might be made effective later.

Business and industry contend that the cost of the insurance would be an onerous financial responsibility at a time when the province is trying to work its way out of unprecedented depression.

Flin Flon Wages Rise

Wage scales in Manitoba's great copper mine at Flin Flon, the third largest in Canada, have been increased to the 1929 level. Over 300 additional men have been added to the payroll.

Special Railway Fares Help Passenger Traffic

From Our Own Correspondent

MONTREAL.—Special week-end and excursion fares used by the Canadian National and Canadian Pacific Railways during the past three years to stimulate passenger traffic have been highly successful. Similar policies carried out in the Western United States have been equally encouraging, and railways in that area have decided to continue the present fares as a permanent policy.

Neither of the Canadian railways will commit themselves to say that the special fare policy will be a permanent part of the tariff, but it is understood the railways will offer special excursions as long as the public demand continues.

New Lobster Plant

The Consolidated Lobster Company will establish a plant at Dipper Harbor, Saint John county, it is officially announced. Eight floats will be constructed at this location, each with a capacity of from 5,000 to 10,000 pounds.

Hon. J. L. Ralston

Elected President of Ontario Equitable Life Brings Wealth of Experience to New Post

By JOHN LANGDON

MONTREAL.—Colonel the Hon. James Layton Ralston's election as president of the Ontario Equitable Assurance Co., is a worthy recognition of a man, who, in the prime of life, has on record an outstanding career in law, military, political and corporation work.

He succeeds the Hon. Charles A. Dunning. Both believe that Mackenzie King makes a better prime minister than R. B. Bennett and that reform should be carried out in an orderly way. Both favor a pipe and use a cartridge filler.

Layton Ralston is a Blue-nose. He hails from Amherst; a town which has gained more than a passing reputation by turning out good lawyears and good stoves.

Stern as a Judge

In appearance he is somewhat stern due to set lips which follow the best style set by the judges sitting at Old Bailey.

He is not the hail-fellow back-slapping type of politician. Nevertheless he is friendly and can enjoy a joke as well as the next man.

He has all the clannishness of a Maritimer. A friend remains a friend and like the elephant he does not forget.

More than 15 years have passed since his war-time battalion was disbanded, but Ralston still sends Christmas cards to his fellow-officers.

One-time Choir Singer

Whether from modesty or some other reason, he nevers mentions the fact that he used to sing in the Baptist choir at Halifax.

His favorite dish is sea food and no meal is complete without a baked apple.

Colonel Ralston does not believe in the eight-hour day for himself. Nor does he like to delegate work to others if he thinks it can be better done by himself. Sunday is just another day of work.

He secured his primary education at Amherst Academy. Among the senior boys of his time was a young fellow named Edgar Rhodes, who later became Premier of Nova Scotia and Minister of Finance in the Bennett Government.

Graduate of Dalhousie

After leaving the academy he entered Dalhousie Law School which has a habit of turning out fledgling politicians and lawyers. In 1903 he was called to the Bar of Nova Scotia.

Back to the home town he went and there he waited for clients.

Politics and Elections

Tiring of this he became a candidate for the House of Commons at the early age of 27. He was not returned.

Tempering his ambition he was elected in 1911 to represent Cumberland County in the Nova Scotia legislature.

Apparently the electors of Cumberland were satisfied, for he was returned in 1916.

Served With the 85th

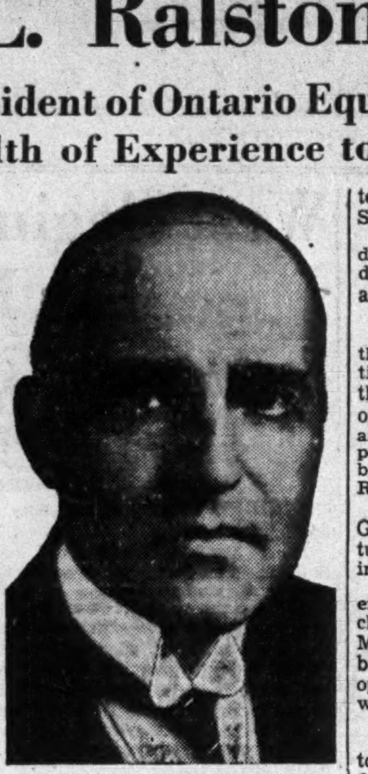
The war interrupted his political career. In October, 1916, he went overseas with the 85th Battalion (Nova Scotia Highlanders) as major.

Ralston never wore a "brass hat."

During his service in France he picked up four wounds, a D.S.O. and bar, a C.M.G., was mentioned twice in dispatches and borrowed two porcelain ash trays from a German hotel during his sojourn with the Army of Occupation. He has kept all of his souvenirs.

An Unrewarded Deed

He might have added the Victoria Cross to his collection. The deed which many of his men thought should have been earned him this honor is a matter of battalion history, but little known to the public. The 85th were before Fampoux. By arrangement the supporting artillery had lain down a "crash shoot" before a night raid. Then the raiding party went forward to investigate the effectiveness of the shelling. All it did was to put the Germans on the alert. One of the officers stepped out on a piece of exposed roadway beyond the enemy wire and was shot down. In the disorganization that followed Ralston, senior officer in the battalion, spurned the comparative safety of the trench, ran forward under heavy firing and brought back the wounded officer—a young lad who had been out only a few weeks.



JAMES L. RALSTON, K.C.

His action brought a recommendation for the Victoria Cross, but the higher command did not believe in senior officers running "unnecessary risks."

Try and Try Again

After the war Ralston, now a full colonel, tried again for the House of Commons. It was in 1926, but the electors of Halifax had other thoughts on the subject.

Mackenzie King and his followers were returned to power. In looking about for cabinet material, the premier-elect chose Ralston to represent the Maritimes as Minister of National Defense. He then entered the cabinet as member for Shelburne-Yarmouth.

For the next four years Ralston displayed marked ability both as a debater on the floor of the House and as a minister of a department.

Goes Over to the Left

He was returned to the House in the 1930 general elections, but this time to sit on the left hand side of the Speaker. As a member of the opposition he developed as a strong and forceful critic of governmental policies, especially those sponsored by his one-time school mate, Edgar Rhodes.

With the defeat of the Liberal Government, Layton Ralston returned to the practice of law, not in Halifax, but in Montreal.

In this respect he followed the example of many other Herring-chokers, who believe that while the Maritimes are a grand place to be born in, Upper Canada offers wider opportunities for advancement and wealth.

Admitted to Quebec Bar

Five years ago he was admitted to the Quebec bar and entered the firm of Mitchell, Ralston, Kearny and Duquette. Following the death of Hon. W. G. Mitchell, he became the senior partner.

An effort was made to draw him away from his law practice and run for Parliament during the last Federal election. For personal reasons he declined. Still he participated in the campaign and with the Hon. Charles Dunning played an important part in the return of the Liberal party to power.

Ability Is Recognized

His ability as a corporation lawyer in the Montreal field—where lawyers are thicker than clients—is proved by the chairs in his oak-panelled office on the fifth floor of the Royal Bank Building. Their leather seats have been polished smooth and molded by those who have sought his counsel.

His rapid rise to prominence as a corporation lawyer has brought calls for his services in other fields. He is a director of the Eastern Trust Co., Barclays Bank (Canada) and other corporations.

Next September he celebrates his 55th birthday.

Country-Wide Success Greets Member Drive

Life Underwriters Association Enrols 609 New Members — Total Membership Now 2,853

Country-wide success of the membership drive undertaken recently by the Life Underwriters Association of Canada for membership in local bodies has put the association well over the top as at the end of October.

Total membership in good standing at that date in all parts of Canada amounted to 2,853 as compared with 3,707 members at the end of 1934 and 2,263 members at the end of September 1935.

Six Hundred New Members

The Dominion-wide membership campaign recently ended succeeded in enrolling 609 new members representing 101.5 per cent of the Dominion of Canada objective. Twenty-one associations in various parts of the country achieved their objective with many reporting from 200 to 300 per cent of their quota. Leadership in this respect went to Brandon and Niagara Falls which both secured 300 per cent of their quota. Winnipeg, Edmonton, St. Catharines, Sudbury and Timmins all reported over the 200 mark.

The present standing of life insurance membership in various local associations throughout Canada now reported to The Financial Post by L. W. Dunstall, secretary, Life Underwriters' Association of Canada as follows:

Membership of Life Underwriters Association in Canada

Association:	End of 1934	Oct. 31/35
Class A—Cities of over 200,000		
Toronto	442	420
Winnipeg	125	194
Montreal	262	176
Vancouver	110	162
	939	952
Class B—50,000 to 200,000		
Hamilton	77	120
London	100	115
Calgary	67	85
Ottawa	89	83
Edmonton	50	83
Halifax	70	78
Quebec	73	63
Regina	53	59
Windsor	38	50
	617	736
Class C—25,000 to 50,000		
Saint John	80	66
Victoria	50	53
Kitchener	41	50
Saskatoon	61	40
Three Rivers	34	29
Thunder Bay	27	29
Brantford	28	24
	321	291
Class D—Under 50,000		
Kingston	68	78
Sherbrooke	51	50
St. Catharines	29	45
Peterborough	36	42
Niagara Falls	20	41
Brandon	24	40
Sudbury	22	37
Guelph	33	30
Timmins	16	29
Stratford	41	24
Moncton	33	23
Oshawa	3	23
Sydney	12	22
	388	484
North Bay	15	21
New Glasgow	27	20
Brockville	25	19
Charlottetown	23	18
St. Thomas	28	18
Cornwall	14	18
Sault Ste. Marie	27	17
New Westminster	15	17
Thetford Mines	21	16
Temiskaming	20	16
Trail		15
Belleville	17	15
St. Hyacinthe	12	14
Barrie	26	14
Glace Bay	26	12
Moose Jaw	14	12
Lethbridge	19	11
Orillia	9	11
Chicoutimi	12	11
Owen Sound	8	10
Edmundston	6	10
Truro	12	9
Prince Albert	2	9
Fredericton	6	7
Medicine Hat	7	7
Nelson	3	6
North Battleford	4	5
Sarnia	6	5
Riviere du Loup	14	5
Annapolis Valley	8	5
Unattached	16	17
	830	874
Grand total	2,707	2,853

MONTREAL LIFE DEVISES PLAN POLICY LOANS

New Basis Used to Conform With Change to 6 p.c. Rate

The current issue of the monthly bulletin of the Montreal Life Insurance Co. explains how that organization has put into effect the recent declaration of Canadian life companies that they would limit interest on all policy loans to six per cent per annum not in advance.

The difficulty for Montreal Life was that this company agreed to lend the full cash value of the policy and if its interest on the loan is not paid at the end of the year, the policy holder then owes the company six per cent more than this cash value. If he discontinues his policy then the company, in a sense, would have paid him a greater cash value than stipulated in the policy.

To overcome this difficulty and bring the company in line would have meant reducing loan values to about 94.34 per cent of cash values.

Avoid Reprinting Job

However, this change would have meant reprinting of all policy forms at considerable expense so the following solution was reached: namely to charge 5¾ per cent interest in advance on policy loans. This amount payable in advance each six months is the exact equivalent of six per cent interest payable at the end of the year.

Accordingly, on and after Jan. 1, 1936, all policy loans whether regular or automatic premium loans will bear interest at the rate of 5¾ per cent per annum payable in advance each six months. Any loans effective in the interim will bear interest at the rate of six per cent per annum to December 31, 1935, and 5¾ per cent thereafter.

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FIRST POLICY ISSUED 1889

MANUFACTURERS DIVIDENDS RISE ON ANNUAL PLANS

New York Life Also Makes Change in 1936 Basis

Manufacturers' Life Insurance Co. has announced an increase in the scale of annual dividends payable in 1936. The increase amounts on the average to approximately 14 per cent over the rates which would have been brought out by the 1935 scale.

On policies sold since August 1, 1929 this increase varies with the age and issue as follows:

At age 25—14 cents
At age 35—20 cents
At age 45—29 cents
At age 55—46 cents

The increase on annual dividend policies issued at rates effective before Aug. 1, 1929, vary with plan, age, and issue, and duration, and are somewhat greater than those shown above.

Lower Interest Rate

The company also informs The Financial Post that the rate of interest on funds on deposit under the optional method of settlement in the company's policies will be four per cent for 1936. This compares with a corresponding rate of 4¼ per cent during 1935.

The increase applies only to annual dividend policies. Payments on quinquennial and tontine policies are still paid on the same basis as 1935.

General Picture

As the first of the Canadian companies to announce dividend policy for 1936 the Manufacturers' Life inaugurates in Canada the open season for this type of news. Most companies make these changes at the end of the calendar year, although in many cases this is done at the end of the company's policy year which does not coincide with the calendar year-end.

One fact of importance in the Canadian situation is that according to a ruling made by G. D. Finlayson, general superintendent of insurance this year and last, no company which does not use market values for its securities in submitting its annual statement through the department, may bring into effect an increase in dividends either to policyholders or shareholders.

New Business in U.S.

In the United States a survey recently made by Eastern Underwriter indicates that many companies are for 1936 using a new basis for policy dividends designed to contribute divisible surplus more equitably among policyholders. Formerly dividend changes have been mostly by percentage of the previous dividends. New scales tend more to take into account reduction in prevailing interest rates and give effect to continued good experience in mortality and management expense.

The net result is, therefore frequently an increase in the proportionate dividends to life, limited payment life, and similar forms (except on long durations) and reduction in proportion of dividends for paid-up policies, shorter term endowments and on long duration where the influence of the lower rate of interest on high reserves is more apparent.

Of interest to Canadians is the basis announced by New York Life which includes reduction on some policies (especially in the single premium classifications) where the interest factor is most important.

Incidentally, New York Life is this year paying 3 per cent on dividends left on deposit with the company; 3 per cent on other funds left on deposit if subject to withdrawal on demand and 3½ per cent if not so withdrawable. The new scale and rates have been approved for policies with anniversaries falling in Jan., Feb. and March, 1936, and also for policies with anniversaries falling in the later months of 1936 unless action to the contrary is taken.

New Manufacturers Life Officers

M. ROSS GOODERHAM

GEORGE G. MITCHELL

As forecast recently in The Post, directors of Manufacturers Life Insurance Co. last week elected M. Ross Gooderham, K.C., president to succeed his brother, the late W. G. Gooderham. Mr. Gooderham, who was vice-president of the company, retains his title of general counsel.

Mr. Mitchell, senior partner of Brouse Mitchell & Co., becomes vice-president.

Progress!

Not once in the past 45 years, covering good times and bad, has the London Life failed to make a gain each year in the amount of Life Insurance in force.

More and more, Canadians are buying their life insurance from this Company.

London Life
Insurance Company
HEAD OFFICE · LONDON, CANADA

Life Company Shareholders, 6.

Confederation Life

Shareholders Hold but Small Stake—Macdonalds Have Large Holding

Those who knew J. Kay Macdonald, founder of Confederation Life Association, say that one of the guiding principles was to found a life company which should be an "association in name and in fact." He aimed at an organization which would combine the best features of the mutual and joint stock set-up. His aims were to eliminate secrecy from the affairs of the association and view the directors as trustees of policyholders' funds rather than proprietors of a money-making concern.

This accounts perhaps for the fact that shareholders of this big concern with over $100 millions of assets has an extraordinarily small stake in the company, the bulk of the funds being entirely those of policyholders. Total paid-up capital is only $200,000 representing a 20 per cent payment on 10,000 shares outstanding. Similarly, these shareholders have never since 1910 used the profits out of participating policyholder account (legally they can take up to 10 per cent).

The largest block of shares in the company (though far from a controlling interest) is the holdings of the Macdonald family. In all these total over 2,000 shares divided chiefly four ways: C. S. Macdonald, president of the company 463 shares; Rev. D. Bruce Macdonald, formerly head master of St. Andrews College, 443 shares; Mrs. E. M. Macdonald, Forest Hill Village, 500 shares; and J. K. Macdonald, grandson of the founder, 402 shares.

Largest individual holdings as at the last date for which official information is available (December 31, 1933) is 518 shares held by Mrs. A. M. Withers as executrix of the estate of the late C. M. Gripton. Other large blocks are the estate of H. R. Tilley, Toronto, 337 shares; Robt. F. Massie, Forest Hill Village, 300 shares; Mrs. D. Gurd, St. Clair, Mich., 215 shares, and several large trust blocks.

Directors of the company hold in all 1,258 shares divided as follows: C. S. Macdonald, 463; J. E. Ganong, 75; John Firstbrook, 50; W. C. Laidlaw, 250; C. P. Smith, 100; J. S. MacLean, 175 and P. A. Thomson, 120.

V. R. Smith, general manager and actuary of the company, is shown with 74 shares in his own name. Total holdings of Mr. Smith and his family are understood to be in the neighborhood of 1,000 shares.

Most of the shares are held in and around Toronto, but nine shareholders with something over 400 shares of stock reside in the United States.

A complete list of the company's shareholders as at the latest date for which official information is available (Dec. 31, 1933) is shown below.

Since that date it is understood several important changes have taken place, notably a considerable increase in the shareholdings of C. S. Macdonald and Robert F. Massie.

Name: Address	No. of Shares
Alley, Mrs. F. M., Toronto	8
Alley, Mrs. F. M. (trustee for), Toronto	66
Alport, Dr. E. B., Regina	25
Amsden, (estate of Mrs. A. M.), Toronto	13
Armstrong, Mrs. J. W., Ottawa	50
Baker, Miss B. L., Hamilton	5
Ball, Miss L. A., Toronto	150
Beare, Mrs. M. L., Toronto	100
Begg, Mrs. E., Toronto	5
Begg, Herbert, Toronto	93
Begg, Herbert, No. 2 account, Toronto	20
Benson, Miss C. C., Toronto	20
Birkenshaw, J. H., Toronto	95
Bolton, Mrs. F. I., Hermosa Beach, Calif.	40
Boulton, Wm., Toronto	5
Bowie, Mrs. N. M., Des Moines, Iowa	20
British Mtge. & Trust Corp., Stratford	25
Brook, Mrs. B. M., Toronto	50
Brooks & Co., Toronto	66
Brown, Clifford R., Toronto	3
Cairns, Miss M. I., Niagara-on-the-Lake, Ont.	50
Canada Perm. Trust Co. and F. G. Osler, (trustees for Mrs. E. P. Brown), Halifax	67
Canada Perm. Trust Co., trustees for Mrs. E. S. Vandersmissen), Toronto	66
Chewett, Miss H. M. A., Toronto	67
Chewett, Miss K. R., Toronto	59
Chisholm, Geo. T. (in trust), Toronto	50
Clark, C. T., Toronto	75
Clark, J. E., Toronto	5
Cook, J. V., Edmonton	10
Cork, Miss C. E., Toronto	11
Cork, Samuel E., Toronto	17
Cork, W. A., Toronto	13
Crouch, R. J., Hamilton	3
Dandy, J. P., Toronto	2
Dee, Mrs. A., Toronto	20
Dent, Chas. R., Toronto	17
Devlin, C. D., Toronto	5
Firstbrook, J., Toronto	50
France, S., Toronto	3
Gale, S., Hamilton	5
Ganong, J. E., Toronto	75
Gershaw, Miss E., Medicine Hat, Alta.	9
Gooderham, (estate of A.), Toronto	100
Gordon, D., ass't. mgr. (in trust), Toronto	100
Gripton, James, Toronto	2
Gripton, Miss J. E., Hermosa Beach, Calif.	25
Gripton, Miss L., Smith Center, Kansas	10
Gurd, Mrs. D., St. Clair, Mich.	215
Hansard, Mrs. A. M., Montreal	5
Hanson Bros., Montreal	18
Harwood, A. E., London, Eng.	10
Heedles, J. A., Mexico	20
Hemming, Mrs. M. F. S., Guysboro, N.S.	5
Henderson, Mrs. E. E., Toronto	12
Henderson, (est. of) Jos., Toronto	100
Henderson, Ernest, Regina	5
Heyland, Mrs. P. C., Denver, Col.	5
Horwitz, Harry, Baltimore, Md.	10
Howard, G. B. & A., D. O. (in trust), Toronto	55
Howe, Mrs. A. M. W., Port Arthur	50
Howland, Mrs. K. E., Toronto	125
Johnson, Mrs. L. H., Margaree Harbour, N.S.	33
Johnston, Miss M. N., Ottawa	50
Jones, S. S., mgr., (in trust), Toronto	10
Kearns, F. C. & W., G. M., (in trust), Toronto	337
Kempton, Mrs. S. M., Biddenham, Eng.	25
Kilgour, Mrs. Esther, Toronto	70
Lace, A. F. D., Toronto	15
Laidlaw, W. C., Allandale, Ont.	250
Law, John, Toronto	5
Long, Miss M. E., Stratford	3
Lougheed, Dr. G. W., Toronto	19
Lyon, Mrs. E., (est. of), Denver, Col.	30
Macdonald, C. S., Forest Hill, Ont.	463
Macdonald, Rev. D. B., Aurora, Ont.	443
Macdonald, Mrs. E. M., Forest Hill, Ont.	500
Macdonald, Mrs. J. E., Toronto	19
Macdonald, F. W., Toronto	2
Macdonald, est. J. K. (in trust for) estate of late Col. C. S. Perley, Toronto	72
Macdonald, J. K., Forest Hill, Ont.	402
Macdonald, Mrs. T., Aurora, Ont.	10
MacLean, (est. of) M. J., Truro, N.S.	40
Magee, Hon. Jas., Toronto	130
Marani, Mrs. S. B., (trustee for), Toronto	70
Marani, Mrs. B., Toronto	18
Martin, A. R., (mgr. in trust), Toronto	14
Massie, Robt. F., Forest Hill	300
Massie, Robt. H. L., Forest Hill	25
McDougall, D. L., Toronto	5
McIlwraith, Miss B. A., Toronto	10
McLaughlin, Mrs. E. A., Toronto	20
McLaughlin, Robt. J., (est. of), Toronto	103
McLaughlin, R. J. (Est.) In trust for daughter Jean	3
McLean, Jas. S., Toronto	175
McLeod, Mrs. E. H., Saint John, N.B.	5
McMurtry, A. L., Brantford, Ont.	5
Meredith, Paul, R., Toronto	93
Mulholland, F. A., Toronto	10
Murray, J. G., Toronto	5
Myer, Gordon G., Toronto	1
Nightingale, A., Toronto	15
Nordheimer, Miss M. E., Toronto	10
Nowers, P. H. & J., W. C., Toronto	240
O'Reilly, Mrs. A. G., Toronto	10
Osler, Edmund F., Bronte, Ont.	67
Osler & Hammond, Toronto	25
Paisley, H. F. S., Ottawa	33
Pannell, Mrs. K., Toronto	5
Pashby, R., (in trust), Toronto	20
Patterson, Wm. G., Guelph, Ont.	25
Pickering, Miss I. M., Toronto	4
Pocklington, Kingston	2
Ramsay, W. M., Toronto	3
Rawlinson, L., Toronto	25
Ridout, Mrs. D. A. L., Toronto	12
Riordan, B. T., Toronto	5
Ritchie, Mrs. L. C. H., London, Eng.	43
Robarts, P. S., Toronto	10
Robarts, P. S., (in trust), Toronto	5
Robertson, Mrs. A. E., (trustees for), Toronto	66
Rose, Miss A. H., Toronto	69
Royal Trust Co., E. H. McLeod & A. M. Hansard, (trustees, estate of late) Isaac Burpee, Saint John, N.B.	61
Scarth, J. F., (mgr. in trust), Toronto	180
Scott, Mrs. E., Toronto	25
Sifton, Mrs. L. M., Regina	95
Skelding, G. A., Toronto	4
Smart, J. E., Toronto	1
Smith, C. E., Toronto	30
Smith, C. P., Toronto	100
Smith, Mrs. Ella, Toronto	10
Smith, L. G., Toronto	2
Smith V. R., Forest Hill, Ont.	199
Snively, A. C., Toronto	20
Thompson, Mrs. R. C., (deceased), Niagara-on-the-Lake, Ont.	242
Thomson, P. A., Montreal	120
Thomson, Miss M. R., Montreal	40
Tilley, H. R., (estate of), Toronto	337
Trainor, E. L., Toronto	5
Toronto Gen. Trusts Corp. (trustees for) C. W. Ball, Toronto	50
Toronto Gen. Trusts Corp. (exec. est.) of late B. H. Dixon, Toronto	198
Toronto Gen. Trusts Corp. (exec. est.) of late A. Myers, Toronto	150
Toronto Gen. Trusts Corp. (trustees) Nordheimer-Cambie M/S trust, Toronto	10
Toronto Gen. Trusts Corp. (trustees) Nordheimer-Houston M/S trust, Toronto	10
Toronto Gen. Trusts Corp. & W. D. Matthews (trustee for) Mrs. A. M. Matthews, Toronto	67
Toronto Gen. Trusts Corp. & F. G. Osler & Mrs. M. E. L. Boyd (trustees for) Mrs. M. E. L. Boyd, Toronto	67
Toronto General Trusts (trustees for) Mrs. C. E. Macdonald, Toronto	140
Toronto Mortgage Co. (in trust), Toronto	110
Vandersmissen, Mrs. E. S., Toronto	8
Varney, F., London, Eng.	15
Varney, G. T., London, Eng.	30
Verner, Wm., Toronto	10
Vigeon, Miss A., Toronto	34
Vigeon, Miss E. M. F., Toronto	16
Waldie, Mrs. M. S., Toronto	30
Wallace, Wm., Toronto	5
Ward, E. C., London, Ont.	5
Watson, Mrs. G. A., Halifax, N.S.	34
Weed, Mrs. L. G., (guardian of D. L. Gripton & C. F. Gripton), Smith Center, Kansas	50
West, E. W., Sault Ste. Marie	2
Wilkie Trust, Toronto	50
Withers, Mrs. A. M., executrix (estate of late C. M. Gripton, Toronto)	518

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Consultation Invited

Confederation Life
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The Scholfield Will

In Estate of $1.7 Millions Stable Securities Appreciated While Speculative Investments Fell

The will of Hon. Henry Chadwick Scholfield, who died on September 4, 1935, shows more than half of his estate of $1.7 millions invested in stocks worth $876,690. The market value alone of the Page-Hersey stock of this former president of Page-Hersey Tubes, Ltd., is $443,025 which would seem to indicate the holding of about 5,540 shares.

His long-held securities of stable companies like banks, mortgage companies, oil companies and the strongest industrials have contributed materially by appreciation to the size of the estate. On the other hand large losses have been registered in the holdings of stocks of paper companies, railway companies, investment trusts, foreign utilities and all companies affected seriously by the depression. All these latter purchases were regarded by most investment advisers as good investments or speculations at the time they were made.

The will sets forth the value of $1.7 millions property as follows: $25,471 mortgages; $45,944 life insurance; $876,690 bank and other stocks; and $692,936 bonds.

Bonds Meet Reverses

Bonds, usually considered a safer form of investment than stocks, have in this instance suffered almost as much as stocks. South American government bonds held have fallen heavily. So have bonds of Quebec power companies whose value depended on contracts with the Hydro-Electric Power Commission of Ontario. As a member of the Government which fathered these contracts Hon. Mr. Scholfield showed his faith in them by investing money in the bonds. His bonds of pulp and paper companies have suffered greatly from the over-expansion created by means of the money provided by Hon. Mr. Scholfield and other investors in paper company bonds. It may be considered to have been a successful investment policy, however, because market value of bonds still shows a total of $692,293.

Diversified Widely

How a successful business man invests is always a matter of great interest and of educational value. Hon. Mr. Scholfield, for instance, sought investments far and wide. There were not many good issues in which he was not represented to some extent. His judgment was good at the time as can be seen from the fact that his investments in stocks of well-regarded investment trusts have not turned out a bit better than the investments which he made direct on his own judgment. He did well where he disregarded the maxim not to put too many eggs into one basket because he knew a company or a security well and did not do so well in the scattered investments over a number of companies whose situations he knew only from the representations of others.

The Page-Hersey investment, of course, represents his own business. His largest holdings in that company probably cost him only a fraction of their present value because he was in at the beginning. It was the foundation of his investment edifice. His more stable investments in stocks were as follows, the paid-up value being given wherever shown in the will:

	Paid-up	Par	Market
B. A. Oil		n.p.	6,250
Canada Malting		n.p.	26,100
Can. Perm. Mtge.	$500	$100	650
Can. Packers	20,000	n.p.	22,150
Can. Vinegars		n.p.	3,938
Can. Bk. of Commerce		$100	2,760
Can. Canners pref.		n.p.	86,531
Do., com.		n.p.	10,413
Consumers' Gas		100	19,928
Dominion Bank	12,300	100	19,926
Guelph & Ont.			2,200
Hershey Chocolate Corp. (N.Y.)			27,000
Homewood Sanitarium			18,750
Imperial Tobacco	3,000	5	8,100
International Pete.			25,200
Int. Tel. & Tel.			210
Nat. City Bk. (N.Y.)	6,700		9,757
Provincial Paper pref.		100	19,800
Pressed Metals of Am.			3,690
Equity Corp., pref.			8,750
So. Can. Power			2,236
Toronto Mtge.	2,500	50	5,813
Tuckett Tobacco			2,860
Wellington Fire			3,500
West. Grocers, pref.	7,500	100	7,725
Do., com.			2,944

Lost Out in Depression

The following stocks have not held value so well though some will doubtless recover in the course of time:

Stock	Paid-up	Par	Market Value
Abitibi Power & P. pref.	$20,000	$100	$ 800
com.		n.p.	80
A. T. & S. F. Ry.	11,300	100	5,664
Banfield gold	2,000	1	1,000
Barcelona Tract.		n.p.	4,092
Brazilian		n.p.	12,282
Burns & Co., B			454
Can. Lt. & Pr.	2,000	100	440
Conduits, pfd.	800	100	400
Do., com.		n.p.	150
Con. Fire & Gas Co.			1,800
Con. West Dome Lake			199
Con. Am. Oil			000
Con. Paper Corp. pref. & com.			100
Dom. Scottish Inv. pref. & com.	10,000		4,500
Dom. Tar & Chem.	3,000		1,590
Economic Inv. Trust Bond 5's	6,000		6,053
common	38,500	50	8,910
Federal Fire Ins.	25,000	100	9,000
Federal Grain, pfd.	10,000	100	2,650
Do., com.			20
Gen. Steel Wares, p.	10,000	100	3,800
Hamilton Bridge, pfd.	4,000	100	800
Do., com.			35
Int. Metal Ind. A			750
Int. Power	10,000		430
Int. P. & Pr.			400
Jones Bros. pfd. &c.	5,000		000
Langley Co.	5,000		3,400
Loughlin Realty	5,000		000
Massey-Harris, com.			1,829
Mt. Royal Hotel, pfd.	6,250		103
Prairie Cities Oil, A			500
Postal Tel. & Cable, p.	1,800		153
Southern Ry.	10,000		925
Southern Pacific	10,000		1,925
Stop & Shop			400
Tri-Cont. Corp.			1,100
United Fuel & Inv., p.			1,850
West. Can. Flour Mills pfd.	5,000	100	1,350
West. Grain Co., pfd. & com.	10,000		1,000

Preferred Gilt-edges

In his bond investments Hon. Mr. Scholfield gave pride of place—as did his predecessor in the presidency of Page-Hersey Tubes, the late W. W. Near—to Dominion Government bonds. He left to his heirs $368,150 in that category alone and $110,246 in provincial, municipal, school, harbor commission and Ontario Hydro-Electric Commission bonds.

The following industrial bonds have justified their purchase and retention by the market value as compared with the original outlay: Canadian Canners $5,000 6's worth $5,291; Canadian Light & Power $3,000 bonds worth $3,042; Container Corp. of America $10,000 5's due 1943 worth $9,530; Dominion Realty $10,000 5½'s due 1945 worth $10,969; Duke-Price Power $10,000 due 1966 worth $10,457; T. Eaton Realty 5's due 1949 worth $6,053; Ottawa Valley Power $10,000 5½'s worth $9,610; Ottawa Light Heat & Power $10,000 5's worth $10,689; Price Bros. $20,000 6's due 1943 worth $17,701; Southern Canada Power $5,000 5's worth $5,879; Steel of Canada bonds worth $4,483; Toho Electric Power Co. bonds worth $6,812; West Kootenay $9,000 5's worth $10,754; Woods Manufacturing Co. $10,000 6's worth $10,406.

Held Quebec Power Bonds

Experience with Quebec Power bonds dependent on Ontario Hydro contracts differs. Gatineau Power $10,000 6's are shown worth $7,900; and MacLaren Quebec Power $10,000 5½'s worth $7,080. Those dependent on other customers are not much better in some cases. For example, International Power $10,000 6's are worth $5,955 and Lake St. John Power & Paper $5,000 6½'s are worth [illegible].

Massey-Harris bonds, in spite of the depression losses, show up better than the utility bonds mentioned with a market value of $4,397 for $5,000 bonds due 1947. So do Oriental Development Co. $10,000 bonds due 1958 which are worth $8,315.

Financial lightning struck South American securities most heavily. Many of these paid high rates and looked bargains when they were bought. The Argentine bonds stand highest. In this will $9,000 Argentine 6 per cent bonds due 1959 are shown worth $8,537. Bonds of Peru, Chile, Rio de Janeiro, Rio Grande do Sul and the city of Santiago have fallen low. Better prices are shown by Colombia and Sao Paulo.

Other investments falling on evil days were the following: Abitibi Power & Paper 5's $10,000 are now worth $3,500 but Hon. Mr. Scholfield bought them at $2,900; Detroit International Bridge 6½'s and 7's $10,000 are worth about $50; Great Lakes Paper $10,000 6's due 1950 are worth $4,200; and Sin Mac Lines $10,000 6's due 1949 are worth $500.

Beatty Bros. Class A stock holdings are shown at $1,388. No reference is made here to holdings of stock of social, political, sporting and other clubs as they were not bought for investment. Several listings of shares now worthless are also left out.

Enough has been shown to indicate the eternal vigilance which the possessor of a large fortune has to exercise if he is to keep it intact in years such as have just passed and are passing.

Insurance Inklings

GEORGE DEFAYE manager of the Metropolitan Life Insurance Co. who has been elected president of the Regina Life Underwriters Association.

JOHN W. WARNER, Mutual Relief Life representative at London has been elected president of the London Life Underwriters Association for 1936. **E. J. JOHNSTON**, London Life was elected vice-president.

W. R. PATERSON, of London, Ont., appointed special representative of Ontario Equitable Life & Accident Insurance Co. Mr. Paterson will specialize in planned estate service.

L. J. LAHAIE has been appointed manager of the fourth Montreal agency of the Excelsior Life Insurance Co., the new office to be known as the Montreal North Branch of the company. Mr. Lahaie has had a long and successful record as a life insurance manager.

S. G. MARTIN has been appointed district manager in charge of the business of the Canada Life in northwestern Alberta.

RALPH P. HARTLEY, formerly superintendent of insurance of New Brunswick, and formerly head of the Canadian Provincial Commissioners' Association, has joined with Walter W. V. Foster, member of the N. B. legislative assembly to form the partnership of Hartley and Foster. It will specialize in the practice of insurance law.

HARTLEY D. McNAIRN, newly-appointed superintendent of insurance for Ontario, was honored by legal, financial and commercial men recently, and presented with a token by the Liberal Speakers' Bureau. Hon. Arthur Roebuck paid tribute to Mr. McNairn's previous services to the province.

* * *

Sun Life of Canada employees who are war veterans will receive four weeks full pay if they participate in the Vimy pilgrimage next year according to A. B. Wood, president of the company. More than 300 veterans are employed by the company at head office and an additional 400 are in the company's agency service.

Fire and Casualty News

Insurance Committee Sets Up Definitions

Many Policies May Have To Be Revised

Definition and interpretation of risks which can and cannot be covered under marine and inland transportation insurance policies have been released by the recently appointed Joint Committee on Definition and Interpretation. The definitions as outlined do not include or attempt to define all powers of insurers. They do, however, try to clarify overlapping coverages and settle points which have been the subject of dispute.

Generally speaking, the definitions drawn up follow closely those already in force in the United States, although they present some differences. In the States it has been found necessary to amend the rulings from time to time, adding to and clarifying them. It is believed that similar action will be followed here, and interpretative bulletins will be issued amplifying the definitions.

Many Changes Necessary

Insurance men believe that in a large number of instances policies will have to be changed to conform to the rulings of the committee. More particularly, it is expected that personal property floater risks and consignment contracts will have to be revised.

Accompanying the definitions is the agreement which all companies are asked to sign, pledging their adherence to the rulings. It is pointed out that even if this agreement is not signed, insurers are bound by the decisions of the committee in all provinces but Quebec, Nova Scotia and New Brunswick. While the agreement is made with individual companies, not with groups, the subscription of a company will obligate all affiliated companies and all independent companies under its general control and management. Similarly, each general agent or manager who signs binds himself to observe the provisions in respect to business written by him for companies which have not subscribed.

Powers of Committee

The committee not only has the right to pass on definitions, but may institute investigations and impose penalties. Its decisions may be appealed to the Standing Committee on Definitions of the Association of Superintendents of Insurance.

The committee's ruling as to what marine and inland transportation policies may cover deals with five classes of risk: Imports, exports, domestic shipments, bridges and tunnels etc., and personal property floater risks. On the first three of these, the definitions apply to properties on which coverage includes hazards of transportation.

Imports which may be covered by these types of insurance include imports on consignment wherever the property may be and without restriction as to time; and imports not on consignment in places of storage usually employed by importers. Imports can be written as long as the property remains segregated in the original form or package; they become ineligible when sold and delivered, when removed from storage and placed on sale, and when removed for manufacture or change in form.

Export Provisions

Exports come under the classification without restriction as to time or place, and are eligible from the time they are being prepared for export unless they are diverted into domestic trade.

It is stated that in interpreting the provisions relating to imports and exports due weight will be given the "spirit" of the definition. For a storage risk to be included under a marine or inland transportation policy the storage risk must be incidental to the transportation risk.

Domestic shipments on consignment for sale are included while in transit and for a period of not more than 30 days after arrival at destination. On consignment for exhibit or approval, this type of insurance applies while the goods are in transit, while they are in the custody of others and while they are being returned. Domestic shipments not on consignment are not covered at points of sale, or after arrival at premises of the insured or the purchaser. In other premises they are covered for 30 days only, except in the premises of freight and forwarding concerns when such storage is incidental to transportation.

Personal Floater Risks

Personal property floater risks which may be written under the classification include: Tourist and personal effects, exclusive of hazards while in a permanent residence of the insured; furs, jewellery, fine arts, excluding stained glass windows and carved glass used for commercial purposes, radium, medical instruments commonly carried with the insured, patterns, and so on, the list comprising 21 items in all.

Among the properties not covered by marine and inland transportation, the committee places: Storage in permanent locations; merchandise in course of manufacture; furniture and fixtures in use; fire risk on building materials while in course of erection after seller's interest ceases; moneys, except while in course of transportation; policies substantially the equivalent of "The Personal Property Floater," sometimes referred to as "The Householder's Comprehensive"; and grain in elevators except when designated for export shipment.

Time Limits

It was decided that all policies "bound, executed, renewed or extended on or after Jan. 1, 1936," must be made to conform to the definition and interpretation or be cancelled. This ruling, however, is subject to important qualifications on policies attached prior to Jan. 1, 1936. Annual policies may continue as written to the original expiration date. Policies covering for a stated period longer than a year must be cancelled or amended to conform to the terms of the definition and interpretation not later than the next anniversary date of their attachment. Continuous policies may continue as written to the next anniversary date of their attachment, but afterwards must conform to the terms set forth.

A number of "housekeeping" details were settled at a recent meeting of the committee. R. L. Stailing was elected vice-chairman, and in the absence of A. W. Goddard, secretary of the committee, who is ill and will be away for some months, J. H. King was appointed acting secretary. Two sub-committees were outlined. One to deal with matters of interpretation; the other to procure signatures for the articles of agreement. These sub-committees will be under the chairmanship of W. E. Baldwin and R. L. Stailing, respectively who will organize the personnel, providing for representation of all interests, including non-tariff. A suggestion was made that members of sub-committees need not be members of the Joint Committee. The Canadian Federation of Insurance Agents will be invited to appoint still another committee to consult with the main body. This committee would comprise three members, one from Montreal, one from Toronto, and the other from the West.

Fee of Ten Dollars

Each company, upon signing the agreement, will be assessed $10 in order to meet the expenses of the Joint Committee. To cover expenses incident to organization members of this committee agreed voluntarily to contribute $25 each, which will be credited against the amount due by their companies on account of the regulation assessment.

There was considerable discussion on the question of expenses. H. D. McNairn, superintendent of insurance for Ontario, stated that a certain amount of expense would necessarily be involved, but that it was not expected to be great after the first year or so. So far as the superintendent is concerned, the rulings of the Joint Committee will be carried into effect as speedily as possible. In other matters, the personnel of the committee will have to be relied on. "If the men on this committee," said Mr. McNairn, "cannot keep the cost of the committee within reason, then there is no use in any insurance body organizing."

Many problems are expected in the early stages, but later it is believed that the committee will have to meet only a few times a year.

Northwestern Mutual Moves to Vancouver

The Northwestern Mutual Fire Association has moved its Canadian head office from Hamilton to Vancouver. A claims office is being maintained at Hamilton, however, to ensure efficient loss adjustment and other services previously rendered by that office. D. R. Thompson, chief agent in Canada, is now located in Vancouver.

The Hamilton office is now in charge of D. Gordon McPherson, formerly with the Northwestern in Saskatchewan. Western operations are under the direction of J. Constantine and G. H. Swayne. It is understood that each branch will handle its own collections, etc., as previously and that provincial managers will report directly to head office.

Insurance Problems

Mutual of Iowa

Can you tell me what information is available concerning Union Mutual Life Insurance Co., of Iowa?

Are they able to do business in Canada and pay claims in this country?

I am having difficulty in persuading my father (age 60) to take insurance and would like to know what you would suggest to be the best and cheapest form of protection I could buy him, if any?

We have no record of the Union Mutual Life Insurance Co. of Iowa being registered to do business in Canada.

There is a company called the Union Mutual Life Insurance Co. with head office at Portland, Maine, which has been operating in Canada since 1868 and whose chief office in Canada is at Montreal, but we have no record of the other company you mention and would, therefore, strongly advise against insuring with them unless they have recently obtained authority to do business in your province. There are plenty of excellent companies properly licensed and registered in Canada which obviates the need for anyone taking insurance in this country with an organization not properly licensed.

Unless we have more information about your father's circumstances, it is difficult to advise regarding his insurance programme. At his age it is unusual to take out insurance unless there are heavy obligations that cannot be faced in any other way.

If you were to give us more details regarding your father's financial position and those who are dependent upon him, etc., we should be very glad to advise you further.

New Licenses

The following companies have been licensed by the federal department of insurance to write the classes of insurance named in addition to those for which they are already registered:

Mercury Insurance Company—Earthquake.

Hardware Dealers Mutual Fire Insurance Co.—Hail, limited explosion, riot and civil commotion, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, and insurance against direct loss and damage to property by aeroplanes, airships and/or other aerial craft or objects falling therefrom or by automobiles or other motor vehicles.

Pearl Assurance Co., Ltd.—Earthquake insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

The Hartford Steam Boiler Inspection and Insurance Co. has been authorized to transact in Canada the business of steam boiler insurance. H. N. Roberts, Toronto, has been appointed Canadian chief agent.

October Large Fire Loss Totals Over $1 Million

According to the New York Journal of Commerce, there were 18 fires in Canada during October which caused damage of more than $10,000. The aggregate loss incurred in these amounted to $1,138,000. In the United States there were 181 such fires entailing loss of $7.4 million.

Total October fire losses in the United States amounted to $19,785,871, according to the estimate of the National Board of Fire Underwriters, given out on Saturday. This is an increase of $1,549,599, or 8.5 per cent, over the losses of October, 1934, and an increase of $3,143,989, or 18.9 per cent, over the losses of September, 1935.

J. J. Warren New Director Federal Fire Insurance Co.

J. J. Warren, president of Consolidated Mining & Smelting Co., and the Trusts & Guarantee Co., has been elected to the board of directors of the Federal Fire Insurance Co. of Canada.

Fire Rate Cut Unlikely; Foresee Rise in Losses

Fire insurance company officials do not consider that a further cut in fire insurance rates is likely, despite the exceptionally favorable loss experience this year. The declining trend of losses which led to a new low in 1934 has been continued thus far in 1935, although October losses were somewhat higher than a year ago.

The general view seems to be that losses have just about reached their low point, and that there may be some increase from now on. Improving business and increasing property values will naturally mean greater insured values—and larger losses. There is also the fact that the moral hazard is at present at a minimum. Whether the gain in losses will outstrip the increase in premium income remains to be seen. Some claim that there is a substantial volume of business in Canada, in the west particularly, on which no insurance is carried at present, but which will present a definite field as business conditions improve.

It appears probable that if there is an increase in losses that it will be gradual, just as the decline has been gradual.

Insurance companies feel that rates have already declined sufficiently in the past few years. Whereas property loss in 1928 was $36.4 millions and in 1934 $25.4 millions, a drop of 30 per cent, fire insurance rates fell during the same period from an average of 88 cents a $100 of risk to 72 cents, slightly over 18 per cent. But it should be remembered that claims form only part of an insurance company's outlay. Administration and overhead expenses are fairly constant.

In the United States a number of states have recently announced sizeable reductions in fire rates, and other sections of the country are clamoring for similar concessions. However, informed opinion there inclines to the belief that there will be a general strengthening against further cuts. September and October loss totals in the States were both higher than the corresponding months of 1934, and while it is not sufficient to cause any alarm, some consider that it may indicate a turning point.

Gen. Exchange Raises Capital By $3 Millions

The General Exchange Insurance Corporation of New York, automobile subsidiary of General Motors, has increased its capital by $3 millions to $4 millions. The company handles the fire, theft and collision coverage on General Motors cars sold on the installment basis.

The increase will be effected through the capitalization of $3 millions of surplus, which at the end of last year amounted to $10.5 millions, by means of a stock dividend. It is believed that the change will result in an improved ratio of capital stock outstanding to both the amount of net premium volume being currently written, as well as to the unearned premium reserve and surplus of the company.

In announcing the action, L. L. Short, president of the corporation, stated that it was felt, in view of the growth of assets and volume of business since 1927, that the equities of the policyholders lay in the direction of an increase in capital stock.

In 1934, the corporation had an underwriting profit of 20 per cent on the basis of premiums earned and a profit of 16 per cent on a premium-written basis. At the end of the year each share of $100 par value had a liquidating value of almost $1,600.

Windsor Revises System Of Insurance Allotment

A total of $969,650 of insurance on Windsor schools which expires on Dec. 15, will be re-written under the supervision of a general insurance broker, W. J. Burns Co., which handled the greatest percentage of the former city of Windsor's school insurance. The 17 policies involved will be spread over a number of agencies, former brokers for the various municipalities concerned being named sub-brokers. Among those so listed to date are the H. E. Guppy Agency and Walker Insurance Co.

The Windsor Board of Education anticipates substantial reduction in rates.

INSURANCES
at Competitive Rates
on the
London Market

We offer the facilities of the London Insurance Market to responsible Brokers and Agents throughout Canada on the following lines:

Fire — Automobile — Atlantic, Pacific and Churchill Marine—St. Lawrence and Great Lakes Marine — Inland Transportation — Municipal Liability —Special War Covers—Public Liability—Burglary—Riots—Sprinkler Leakage—Use and Occupancy — Rents — Windstorm — General Accident — General Fidelity — Accountants and Solicitors Indemnity — Brokers and Bankers Bonds — Cash in Transit — Miscellaneous.

Immediate Covers
Prompt Settlements

A Hint to Insurance Brokers:—Business Executives now know that most covers are improved when "LLOYD'S" carry part of the schedule.

ANGLO-CANADIAN UNDERWRITERS
LIMITED
320 Bay Street, Toronto
Business Organised in 1901
Insurances at Lloyd's since 1925
Incorporated January, 1935
Chairman Robt. H. Cook
Underwriter Edwin T. Cutts

FIRE MARINE
PLATE GLASS
1807
EAGLE · STAR &
BRITISH DOMINIONS
INSURANCE COMPANY LTD
OF LONDON, ENGLAND
Head Office for Canada:
217 Bay Street, Toronto
J. H. Riddel, Manager
V. G. Creber, Asst. Manager
AGENTS:
DALE & CO., LTD., General Agents, Toronto, Montreal, Halifax.
E. L. McLEAN LTD., General Agents, Toronto.

OVER HALF A CENTURY OF "SERVICE WITH SECURITY"
PORTAGE POLICIES
give full protection with absolute security and prompt settlement of claims
Est. 1884
The PORTAGE LA PRAIRIE
Mutual Insurance Company
Portage la Prairie, Man.
MONTREAL TORONTO WINNIPEG REGINA VANCOUVER
WRITING FIRE AND WINDSTORM

RELIANCE
INSURANCE COMPANY
of
CANADA
Montreal
Property Insurance

FIDELITY
Insurance Company
of Canada
TORONTO

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES
TORONTO
HAMILTON
OTTAWA
VANCOUVER
VICTORIA
EDMONTON
CALGARY
SASKATOON
WINNIPEG
MONTREAL
QUEBEC CITY
ST. JOHN
HALIFAX
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS $5,183,603.19
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20%. TO 30% ON RENEWALS

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE
LIABILITY DOCTORS' AND DENTISTS' LIABILITY PLATE GLASS
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

The World's Pioneer in Liability Insurance
FOUNDED 1880
The EMPLOYERS'
Liability Assurance Corporation Limited
of London, England
Head Office for Canada, Insurance Exchange, Montreal
John Jenkins
General Manager for Canada and Newfoundland
E. L. Marshall, Assistant Manager
S. G. Reid, Manager for Ontario
John Fanning, Asst. Manager for Ontario
Canada Life Building, Toronto
Winnipeg — Calgary — Vancouver — Ottawa
All Classes of Insurance except Life and Marine
Deposit with the Receiver General at Ottawa for the sole protection of Canadian Policyholders as at December 31st, 1934, $2,886,887.27.

This was POWER'S HIGHEST EXPRESSION when our service began

FIRST LOCOMOTIVE IN ONTARIO—"THE LADY ELGIN"
As it appeared in 1881, in Northern Railway Yard, foot of Brock Street, Toronto. Photograph from John Ross Robertson Collection.

ONCE Ontario was proud of "The Lady Elgin". She was Ontario's first locomotive. For many years she burned wood and belched smoke from her high-crowned stack as she clattered along through Central and Western Ontario. She is shown here as she was in 1881—some six years after the increasing hazards of power had brought about the formation of the protective services of The Boiler Inspection and Insurance Company.

Power in industry and transportation is immeasurably greater now. Great oil-burning locomotives take in their stride, haulage tasks that would have glued the Lady Elgin to the tracks. Generators and motors spin the wheels of industry with a power that was almost unknown then. To this advancement this Company has made substantial contributions through knowledge gained in its continuous study of conditions affecting safe operation. On questions of design, construction and installation The Boiler Inspection and Insurance Company is constantly consulted.

In its sixty years, this Company's services have increased the safety of operation of power equipment of all types and have guarded thousands of owners against financial loss. With 20 companies in the field, more than half of this type of insurance is on the books of The Boiler Inspection Co.

THE BOILER INSPECTION AND INSURANCE COMPANY OF CANADA
1875 — Founded Sixty Years Ago — 1935
Engineering Insurance Exclusively
806 The Bank of Nova Scotia Bldg. Montreal
908 Federal Bldg. TORONTO
321 Curry Bldg. Winnipeg

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Lincoln For Sale

A BEAUTIFUL PRIVATELY-OWNED Lincoln convertible cabriolet, which originally cost $8,700 with a custom body by Deitrich, is for sale. The car is equipped with new heavy duty Firestone tires, is mechanically perfect in every way, and the certified mileage is only 22,000 miles. Circumstances demand an immediate sacrifice for $600 and, if necessary, a small car will be taken as part payment. No dealers. For an immediate demonstration, write owner at Box A, Financial Post.

Accountant Available

CHARTERED ACCOUNTANT, WITH ten years experience, twenty-nine years of age and in good health. Now employed, but wishes to better present position. Specialized in Audits and Investigations. Box 260, The Financial Post, Toronto.

Collections

YOUR delinquent accounts can be collected through our Canadian Organization, licensed and operating throughout Canada. Box 262, The Financial Post, Toronto.

DIVIDEND NOTICES

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 9th day of January, 1936, at 11 o'clock a.m.

S. G. DOBSON,
General Manager.

Montreal, December 2, 1935.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1935, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 2nd day of January, 1936, to shareholders of record of the 20th December, 1935.

By Order of the Board.
DUDLEY DAWSON,
General Manager.
Toronto, 15th November, 1935.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the [illegible] quarter, being at the rate of [illegible] PER CENT PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

THURSDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fourteenth day of December, 1935.

By order of the Board.
WALTER F. WATKINS,
Secretary.
Toronto, November 20th, 1935.

The Bell Telephone Company of Canada

Notice of Dividend

A dividend of one and one-half per cent (1.50%) has been declared payable on the 15th day of January, 1936, to shareholders of record at the close of business on the 23rd of December, 1935.

F. G. WEBBER,
Secretary.
Montreal, November 27th, 1935.

Canadian Wirebound Boxes Limited

DIVIDEND NOTICE

The Directors of this Company have declared a dividend of twenty-five cents per share on account of arrears, payable January 2nd, 1936, to shareholders of record December 16th, 1935.

By order of the Board.
J. P. BERNEY,
Secretary.

DIVIDEND NOTICES

San Antonio Gold Mines Limited

Interim Dividend No. 4

NOTICE is hereby given that a dividend of seven cents (7c) a share on the outstanding capital stock of the company has been declared, payable December 20th, 1935, to shareholders of record at the close of business on the 5th day of December, 1935.

By order of the Board,
M. SNYDER,
Secretary.
Winnipeg, November 27, 1935.

Imperial Tobacco Company of Canada, Limited

DIVIDEND

Notice is hereby given that an Interim Dividend (No. 115) of One and three-quarters per cent. (1¾%) on the paid-up Ordinary Shares of the Company has been declared payable on Tuesday, the 31st day of December, 1935, to shareholders of record at the close of business on Friday, the 13th day of December, 1935.

By Order of the Board.
F. P. L. LANE,
Secretary.
Montreal, P.Q.
29th November, 1935.

Dominion Glass Company Limited

Notice of Dividends

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st. day of December, 1935.

NOTICE is also hereby given that a dividend of one and one-quarter per cent. (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st. day of December, 1935.

The above Dividends are payable on Thursday, the 2nd. day of January, 1936, to Shareholders of record at the close of business Monday, the 16th day of December, 1935.

By Order of the Board.
MERVYN OFFER,
Secretary.
Montreal, 26th. November, 1935.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 26

NOTICE is hereby given that a Dividend of 30c. per share being at the rate of $1.20 per annum, has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1935, payable January 25th, 1936, to shareholders of record at the close of business on December 31st, 1935.

By order of the Board.
L. C. HASKELL, Secretary.
Montreal, November 26th, 1935.

The Ontario Loan and Debenture Company

194th DIVIDEND

NOTICE is hereby given that a QUARTERLY DIVIDEND of 3 per cent. for the current [illegible] 1935, (being at the rate of 12 per cent. per annum) has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 2nd January, 1936, to Shareholders of record of the 16th December, 1935.

By Order of the Board,
T. H. MAIN, Manager.
London, Ontario, 26th November, 1935.

Associated Breweries of Canada Limited

Dividend Notice

NOTICE IS HEREBY GIVEN that a Quarterly Dividend (No. 29) of 1¾% upon the outstanding Preferred shares of the Company has been declared, the said Dividend to be payable on or after the First day of January, A.D. 1936, to Shareholders of record at the close of business on the 15th day of December, A.D. 1935.

NOTICE IS ALSO GIVEN that a Dividend (No. 23) of twenty-five cents per share on the No Par Value Common Shares of the Company issued and outstanding has been declared, payable on or after the 31st day of December, A.D. 1935, to Shareholders of record at the close of business on the 15th day of December, A.D. 1935.

By Order of the Board,
I. N. WILSON,
Secretary-Treasurer.
Calgary, Alberta, November 29th, 1935.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the ninety-first quarterly dividend of one and three quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending February 28th, 1934, on the Preferred Stock of the Company has been declared payable to shareholders of record the 15th day of December, 1935, and cheques will be mailed January 2nd, 1936.

Books not closed.
By order of the Board,
P. W. HOLLINGWORTH,
Secretary-Treasurer.
Montreal, Que.
November 26th, 1935.

CANADIAN PACIFIC RAILWAY LINES WORLD'S GREATEST TRAVEL SYSTEM

Canadian Pacific Railway Company

When British Columbia joined the Dominion of Canada in 1871, one of the conditions was that a connecting railway should be built. The last spike on the main line from Montreal to Vancouver was driven at Craigellachie, B.C., on November 7, 1885, and the story of the construction of the railway is one of the most dramatic in Canadian History.

Alan Sullivan's story, "The Track of Destiny" which appeared in serial form in Maclean's Magazine this year is worthy of being called the Great Canadian Novel. It tells the story from the inception of the company to the completion of the railway.

Advertising of this company appears in—

Maclean's
Canada's National Magazine

Company Earnings

International Paints

International Paints (Canada) reports an improvement in earnings in the fiscal year ended September 30 last. Net income, after taking care of legal expenses and executives' salaries, totalled $91,254 compared with $76,485 in the previous year.

During the year the company sold its Basin Street plant for $36,500 and purchased additional property near the Montreal Park Avenue plant for $30,633. The capital loss on the Basin Street plant was charged to depreciation reserve.

The principal change in the balance sheet is the reduction in the interest rate on the company's first mortgage bonds from 7 to 5½ per cent effective from March 1, 1935.

Profit and Loss Account
Year Ended Sept. 30

	1935 $	1934 $
Net earnings	108,507	......
Less: Legal fees	375	......
Executive salaries	16,878	......
Net income	91,254	76,485
Less: Interest	10,022	10,921
Depreciation	38,883	34,792
Directors' fees	1,240	2,860
Tax provision	7,314	5,090
General reserve	4,111	2,791
Surplus	29,484	20,031
Brought forward	20,078	13,222
Less: Adjustments	1,307	13,165
Carried forward	48,255	20,078

Dryden Paper

Dryden Paper Co. reports a moderate improvement in earnings for the fiscal year ended September 30, 1935. Somewhat better conditions were experienced during the year, and, according to the president, J. H. A. Acer, "there is room to hope for continued improvement."

Net income, after provision for executives' salaries, totalled $93,365, compared with $87,631 in the previous twelve months. In both years bond interest was covered before making provision for sinking fund, depletion and other charges. Net deficit on the year's operations was $21,434, as against $16,899 in 1934.

During the year the company reduced its funded debt from $1,419,500 to 1,399,500. A slight reduction was shown in working capital at $533,306 compared with $555,342 a year ago.

Profit and Loss Account
Year Ended Sept. 30

	1935 $	1934 $
Net earnings	112,437	......
Less: Exec. salaries	19,072	......
Net income	93,365	87,631
Less: Depletion	10,379	......
Bond interest	86,400	87,460
Directors' fees	150	210
S. F. provisions	17,880	16,860
Deficit	21,434	16,899
Previous deficit	47,093	30,194
Deficit forward	68,527	47,093

Inter. Hydro Electric

Consolidated net earnings of International Hydro Electric System for the third quarter of 1935 show a net loss of $154,259 as against $130,439 for the same period in 1934. This relatively favorable comparison in the face of increased taxes and expenses and of lower rates in New England, results from substantial improvement in volume of business. Power production for the third quarter of this year ran 12 per cent ahead of the corresponding period last year.

In respect to the position of Gatineau Power Co.'s contract with the Ontario Hydro, Archibald R. Graustein, president of the system, informs shareholders that no proclamation has yet been issued by the government, putting in effect the provisions of the act passed last spring by the Ontario Legislature, but the Commission "has arbitrarily reduced the amount of power it is accepting from Gatineau Power Co. and according to press reports is not at the present time accepting any power from the other companies affected by the act.

Particulars of the profit and loss account for the quarters ended December 30, 1935, and 1934, follow:

Profit and Loss Account
Quarter Ended Sept. 30

	1935 $	1934 $
Oper. revenue	14,396,663	14,301,271
Other income—net	855,935	858,400
Total revenue	15,252,598	15,159,671
Expenses:		
Oper. exps. includ. purchased power	4,933,959	4,823,329
Maintenance	934,737	873,015
Taxes (other than income taxes)	1,858,470	1,783,112
	7,525,432	7,680,215
Deduct:		
Int. on funded debt	3,208,892	3,293,964
Int. on debent.	401,796	433,417
Amort. of debt disc.	237,896	236,657
Depreciation	1,181,139	1,171,638
Provision for taxes	416,781	425,404
Divds. on pref. & cl. A stks. of subs.	1,736,622	2,104,058
Divds. on pref. stks. of subs.	403,639	38,122
Minority interest	92,927	107,394
Balance	†154,259	†130,438
Earn. surp.—Beginning	9,137,439	11,102,439
Add: Profit on bonds redeemed	1,108	......
	8,984,283	10,972,000
Deduct: Amort. of options on shs. of N. E. Power Assn.	31,125	31,125
Earned surplus—End.	8,953,158	10,940,875

Undeclared cumulative divds. at Sept. 30, 1935: (1) Pref. stock, July 15, 1934 to Sept. 30, 1935, $583,707; (2) class A stock, April 1, 1930 to Sept. 30, 1935, $5,832,223; (3) class B stock (all held by Internat'l. Paper Co.) April 15, 1929 to Sept. 30, 1935, $4,563,586.

The accounts of Canadian subsidiaries included in the above figures are stated on the basis of $1 for Canadian currency without adjustments for any difference in the rate of exchange. It is the practice of the companies to reflect in current operations any difference between this rate and current quotations at the time funds are actually purchased or transferred.

The above statements are subject to final adjustment at Dec. 31 (end of fiscal year).

†Deficit.

Canadian Hydro

Canadian Hydro-Electric Corp.'s consolidated statement of profit and loss for the third quarter of 1935 does not reflect any change in earnings consequent upon the policy adopted by the Ontario government in regard to Ontario Hydro contracts. During the quarter the company's net income amounted to $2,033,205. This was in contrast to $1,992,653 for the quarter ended September 30, 1934. The balance available for dividends on Canadian Hydro's first preferred stock amounted to $599,517 as against dividend requirements of $187,500. For the third quarter of 1934, balance for dividends totalled $569,939.

The comparative consolidated statement of profit and loss for the third quarter of 1935, together with the figures for 1934, follow:

Profit and Loss Account
Quarter Ended Sept. 30

	1935 $	1934 $
Revenue:		
Oper. revenue	2,359,505	2,317,063
Other income	23,834	34,066
Loss on exchange	2,697	27,205
	2,380,642	2,323,944
Expenses:		
Operating	224,791	225,336
Maintenance	57,921	58,195
Taxes—other than income taxes	64,725	47,760
Net income	2,033,205	1,992,653
Less: Interest—bonds and prior liens	869,187	876,896
Int.—debs. & other	262,306	272,335
Deprec. & amort. of storage works	166,781	164,498
Amort. of discount & expense	87,414	86,922
Prov. for inc. taxes	48,000	21,000
Divds. on pref. stock of subsidiary	......	1,133
Balance before divds. on first pref. stock	599,517	569,939

Inter. Paper & Power

Sales and other income of International Paper and Power Co for the third quarter of 1935 totalled over $23 millions, as against nearly $20.4 millions for the same period in 1934.

Tonnage deliveries were almost 15 per cent ahead of last year, resulting in an increase of over $3.1 millions in gross sales.

This increase was, however, largely offset by the cost of producing the additional tonnage. The net loss for the period was reduced to $901,637 compared with $1,042,953 in the third quarter of 1934.

In his interim reports to the shareholders, Archibald R. Graustein, president, states that arrangements have been made for Southern Kraft Corp., a subsidiary, to borrow from the banks up to $2 millions to make improvements at the mill which should be completed early next year. The resulting increase in operating efficiency will, it is believed, enable Southern Kraft Corp. to liquidate its indebtedness out of earnings.

Earnings for the third quarter and for the nine months ending September 30 follow:

Profit and Loss Account
Quarter Ended Sept. 30

	1935 $	1934 $
Sales & other income	23,819,262	......
Cost & expenses	21,501,095	......
Net income	2,318,267	2,252,911
Less: Interest on debt	965,546	1,013,670
Interest on loans	225,135	225,010
Amort. of debt	91,066	104,128
Depreciation	1,261,404	1,246,547
Depletion	178,765	196,476
Res. for debts	214,932	244,292
Prov. for taxes	87,168	75,000
Dividends accrued	175,888	190,751
Net loss	901,637	1,042,963

Nine Months Ended Sept. 30

	1935 $	1934 $
Sales & other income	70,421,359	......
Cost and expenses	63,532,001	......
Net income	6,889,358	6,705,972
Less: Interest on debt	2,929,389	3,052,301
Interest on loans	676,229	702,195
Amort. of debt	285,332	320,835
Depreciation	3,928,420	3,803,222
Depletion	577,236	547,133
Res. for debts	558,334	734,171
Prov. for taxes	249,951	175,000
Dividends accrued	520,312	569,364
Net loss	2,836,047	3,198,255

Southern Can. Power

While power sales of Southern Canada Power Co. increased 10 per cent during the fiscal year ended September 30, 1935, as compared with the preceding twelve months, gross revenue was about $50,000 lower at $2,141,042. After taking care of all senior charges, including bond interest, depreciation and preferred dividends, there was a balance equivalent to 71 cents a share on the common stock. This was in contrast to 96 cents a share in the previous year and dividend payments of 80 cents a share. After all charges, there was a small deficit, compared with a surplus of $36,822 in 1934.

The balance sheet as at September 30 last reflects a reduction in the funded debt to $6,574,342. Cash and loans declined from $344,936 to $191,743. There was also a reduction in the "investment in and advances to subsidiaries," whilst other investments are carried on the books at slightly more than $2.5 millions, a minor change from that reported a year ago. The market value of "other" investments, however, increased during the year from $1,712,108 to $1,873,649.

During the year an amount of $197,420 was transferred from the depreciation reserve for the purpose of writing down the value of certain investments, particulars of which are not disclosed.

Profit and Loss Account
Year Ended Sept. 30

	1935 $	1934 $
Gross revenue	2,141,042	2,190,062
Less: Oper. expenses	371,723	352,038
Maintenance	164,368	162,709
Purchased power	95,094	84,485
Taxes	220,404	206,516
Net earnings	1,289,453	1,384,335
Less: Depreciation	224,964	229,549
Bad debt res.	3,600	6,500
Bond interest	333,339	338,375
Net income	727,550	809,911
Less: Minority interest	124	186
Preferred divds.	425,334	425,334
Common divds.	321,010	320,569
Balance	†18,918	63,822
Previous balance	*411,262	359,402
Carried forward	392,344	423,224

†Deficit. *Adjusted.

Sherwin-Williams

Sherwin Williams Co. of Canada reports that all units and subsidiary companies showed increases in sales during the fiscal year ended August 31, 1935, but the margin of profit was not increased in proportion, due to rising costs and special efforts put forth to increase sales. Consolidated net revenue amounted to $311,131, as against $302,098, in the previous year, while the balance available for preferred dividends totalled $205,575 compared with $200,805 in the 1934 fiscal year.

The balance sheet shows that fixed assets have now been taken in at depreciated value. The cash position of the company shows considerable strengthening, due in part to liquidation of some investments.

Profit and Loss Account
Year Ended Aug. 31

	1935 $	1934 $
Gross revenue	389,013	......
Less: Legal fees	927	......
Executive salaries	76,955	......
Net revenue	311,131	302,098
Less: Depreciation	52,118	53,635
Prov. for taxes	30,200	27,048
Pension fund	22,038	20,410
Directors' fees	1,200	200
Net income	205,575	200,805
Less: Preferred divds.	181,650	......
Balance	23,925	200,805
Brought forward	3,755,250	3,579,430
Carried forward	3,779,175	3,780,235

Canadian Car

An increase in the output of miscellaneous products enabled Canadian Car and Foundry Co. to reduce its operating loss during the fiscal year ended Sept. 30, 1935, to $497,255 compared with the loss of $729,146 for the preceding fiscal year.

As was anticipated, the report does not reflect the receipt of new business from the railways. This work came toward the end of the company's fiscal year and any beneficial effects of this business will be reflected in the 1936 report.

Income Account
Year Ended Sept. 30

	1935 $	1934 $
Operating loss	465,090	870,401
Interest earn., etc.	81,268	†153,769
Balance	*383,822	*716,631
Directors' fees	12,025	12,515
Officers' salaries	88,365	......
Legal expenses	3,043	......
Balance	*497,255	*729,146
Prev. balance	2,357,129	3,086,275
P. & L. balance	1,859,874	2,357,129

*Deficit.
†Including profit on investment at $74,500.

Brewing Corp. of Canada

Consolidated balance sheet and income statement of Brewing Corp. of Canada for the year and for the quarter ended October 31, 1935, in unaudited form show more profitable business. In the 12 months the profit was $222,445 compared with a loss of $134,914 in the preceding year. Gross profit was up 43 per cent.

The quarter's figures are interesting because periods ended October 31, 1934 and 1935, were both under the new conditions of sale in Ontario. The advance of net profits from $156,249 in the last quarter of the 1934 fiscal year to $175,181 in the last quarter of the 1935 fiscal year is an advance of 12 per cent.

E. P. Taylor, president, says the sales of the company are improving and prospects better. Bank loans are down to $71,514 but the company will have in 1936 to arrange for extension or pay off $365,000 three-year guaranteed 7 per cent debentures secured by a first mortgage and $400,000 5 per cent notes due April 1, 1936. Further debentures to the extent of $200,000 have been pledged to the bank for purposes of security and will be released whenever the bank loans are paid off.

Issued capital consists of 162,787 no par value preference shares, now paying $1.50 a share yearly and cumulative at the rate of $3 a share yearly, and 663,521 no par value common shares. Actual earnings in the fiscal year ended October 31, 1935, were $1.37 a share.

Consolidated Income and Surplus Account
Three Months Ended Oct. 31

	1935 $	1934 $
Oper. profit	884,414	765,488
Less; Taxes	587,765	508,183
Interest	14,171	18,320
Depreciation	97,642	91,972
Other expend.	9,655	......
Add: Other income	......	9,236
Profit for period	175,181	156,249

Twelve Months Ended Oct. 31

	1935 $	1934 $
Oper. profit	2,951,128	2,155,298
Less; taxes	2,304,736	1,863,889
Interest	71,703	78,935
Depreciation	370,645	351,131
Add: other income	18,401	3,743
Profit for period	222,445	*134,914

*Loss.

WORKING CAPITAL

	1935 $	1934 $
Current assets	2,200,142	2,228,446
Current liabilities	866,849	930,601
Working capital	1,333,293	1,297,845
Ratio	2.54—1	2.39—1

Dominion Glass

Dominion Glass Company's financial statement for the year ended December 30, 1935, shows an improvement in earnings as compared with the preceding twelve months. Figures are not altogether comparative, however, as the amendment to the Companies Act requires publication of more details than has been customary in the past. Net income for the 1935 fiscal year totalled $679,947, as against $646,030 in 1934. The amount available for dividends on the capital stock shows an increase of about $10,000, while the balance carried forward to the profit and loss account totalled $17,745, compared with $8,472 in 1934.

Consolidated balance sheet of Dominion Glass as at September 30 last shows an increase in fixed assets of around $135,000; inventories declined by nearly $160,000; while cash on hand nearly trebled at $312,191. On the other hand the company liquidated guaranteed investment receipts of $175,000.

Income and Surplus Account
Year Ending September 30

	1935 $	1934 $
Gross income	715,080	......
Less: Legal fees	4,508	......
Executive salaries	30,625	......
Net income	679,947	646,030
Less: Directors fees	11,431	10,190
Tax provision	81,326	58,303
Depreciation	174,941	173,935
Net profit	412,245	402,972
Less: Preferred divd.	182,000	182,000
Common divd.	212,500	212,500
Balance	17,745	8,472
Brought forward	1,117,430	1,108,958
Carried forward	1,135,175	1,117,430

DIVIDEND NOTICES

SUPERTEST Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"A" Preferred

A half-yearly dividend at the rate of 7% per annum on the Class "A" Preferred Stock of this Corporation for the half-year ending December 31st, 1935, has been declared; payable January 2nd, 1936, to shareholders on record at the close of business, December 13th, 1935.

"B" Preferred

A half-yearly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the half-year ending December 31st, 1935, has been declared; payable January 2nd, 1936, to shareholders on record at the close of business, December 13th, 1935.

Common and Ordinary Shares

The Board of Directors has declared a half-yearly dividend of 50c. per share on the Common and Ordinary stock of this Corporation for the half-year ending December 31st, 1935, payable January 2nd, 1936, to shareholders on record at the close of business, December 13th, 1935.

Share Warrants

Share Warrant holders will present coupons, serial number 32, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after January 2nd, 1936, where payment will be made at par.

By Order of the Board,
JAMES D. GOOD,
Secretary-Treasurer.
London, Ontario, December 2nd, 1935.

NOTICE

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Town of Blind River has become subject to the provisions of Part III of "The Department of Municipal Affairs Act, 1935," by an Order of The Ontario Municipal Board bearing date the Nineteenth Day of November, A.D. 1935, and from and after the first publication of this Notice in the Ontario Gazette, all actions or proceedings against the said Municipality are stayed, and thereafter no action or other proceeding against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 19th day of November, A.D. 1935.

WM. BRODIE,
Vice-Chairman of the
Ontario Municipal Board.

SALE

Province of New Brunswick, Canada, $2,750,000.00 Sinking Fund Debentures

The government of the Province of New Brunswick, Canada, will receive tenders up to 3 o'clock P.M., A.S.T., on the 6th day of December, 1935, for $2,750,000.00 Province of New Brunswick Debentures as follows:

Debentures to be dated the 16th day of December, A.D., 1935, interest to be payable half-yearly on the 16th day of June and the 16th day of December, principal and interest payable in lawful money of Canada at the office of the Provincial Secretary-Treasurer, Fredericton, N.B., or at the Bank of Montreal, in Halifax, Charlottetown, Saint John, Montreal, Toronto, Winnipeg or Vancouver, Canada.

Debentures to be in the denomination of $1,000.00 or $500.00 at the option of the purchaser, with coupons attached, and may be registered as to principal only. Full payment for debentures to be made at the Bank of Montreal, Fredericton, N.B., upon delivery of Interim Securities at said Bank.

Interim Securities to be exchanged for Definitive Engraved Debentures on completion.

Definitive Debentures to be delivered to the purchaser at place named by him.

Tenders may be made for said debentures on the basis of ten and/or fifteen year term at 3¼%.

Sealed tenders endorsed "TENDERS FOR PROVINCE OF NEW BRUNSWICK DEBENTURES" should be addressed to the PROVINCIAL TREASURER, FREDERICTON, NEW BRUNSWICK, CANADA.

Tenders must be for the amount offered and must be accompanied by a marked cheque for $10,000.00 to be applied in the case of the successful tenderer as part payment for the debentures. All bids to be made in Fredericton funds.

The above debentures will be issued as authorized by Acts of the Legislative Assembly of New Brunswick for the following purposes:

Refund of issue falling due January 1st next	$1,750,000.00
Hard surfacing roads	$1,000,000.00

A Sinking Fund of ½ of 1% will be provided yearly during the term of the bonds plus such additional amount as may from time to time be required by law.

The highest or any tender not necessarily accepted.

CLOVIS T. RICHARD,
Provincial Secretary-Treasurer.
Fredericton, N.B., Nov. 21st, 1935.

Leisure

By His Excellency BARON TWEEDSMUIR,
Governor-General of Canada
(An Address to the Members of The Canadian Club, Toronto)

"I would talk to you on the art of living and the great influence that the enjoyment of the pleasures of life has on professional efficiency.

"I have led an active life and have enjoyed every moment of it, and I have always had an extraordinary aptitude for taking holidays. I want to stress the importance of leisure in life—of what remains when we have finished the jobs by which we earn our daily bread.

Baron Tweedsmuir

Machine Age

"Today we are witnessing the triumph of the machine, and this triumph has meant that a great deal of the monotonous, exacting toil of the past has been superseded. It has given us more leisure and we must find new interests for that leisure. The mechanization of the world must mean a drastic reconstruction of industry. The worker will be rationed with fewer hours of labor, and this enforced leisure time will have to be filled up with new employments and new interests.

"The machine, if we make it our slave instead of making ourselves slaves to it, may end by performing the part that slave labor did in the old Greek world, and give every one of us a richer and fuller life. Then there is the cultural side of leisure. We are all human beings as well as doctors, accountants, lawyers and engineers, and we have to get satisfaction out of life as well as a living. The wise man will cultivate many interests outside his actual profession, things which keep the mind alive.

Leisure Essential

"My argument is that leisure—rightly used leisure—is essential to our professional success. The secret of success is to do one's job with a minimum of labor. We should apply intelligence, for intelligence saves waste, and most jobs are done with an absurd waste of labor.

"As an example I would like to speak of military intelligence. When the war began we found it necessary to provide an element of surprise and to provide this absolute secrecy was necessary. We carried our methods to absurd extremes with an enormous host of officials and a tremendous expenditure of money. The German government carried it still further, and it all failed.

"In the end we learned that in order to keep a thing secret it was wise to allow 99 per cent of the subject to be as public as possible in order that the one per cent that remained might be concealed because it was not recognized.

"In this way we allowed the enemy to have an immense amount of information that was quite accurate, but which was of no particular value, and thereby concealed the small part that did matter. Many imagine that the more work they put into a job the better it will be done. The notion comes from the old Puritan theology which took a very grave view of life and spent its day between work and devotional exercises. 'Give every flying minute something to keep in store.' Good advice provided that you bring intelligence to bear on it.

Intelligence Needed

"It is easy to put too much work into a job, and the emphasis on toil is apt to make us forget the prior necessity of intelligence, so that we waste a lot of time. Lack of intelligent reflection means waste because without it we cannot see round our task sufficiently. Again I repeat that properly used leisure is as essential to success as a proper spying out of the ground before we begin a stalk.

"It is the same in business. The larger part of it is a matter of detail and regular routine. No particular qualities are necessary for this part of it except industry and experience. And herein lies a danger, for if we allow routine to bulk too largely in our minds we lose sight of the wood and even of the trees.

"In Britain after the war business men did not realize that conditions had changed completely, and were content to go on in the same old rut. When the time did come that they looked round their jobs they found that the time for reconstruction had passed and they were left high and dry.

Business "Success"

"America before 1929 was an interesting case. Young Americans who were ready to start in business had the best education that you could find. Success in business they regarded as something sacred. They worked inordinately long hours and had practically no private life. But in spite of this enthusiasm I was worried about them for they seemed not to be looking round their jobs, or to be cognizant of the very black thunder clouds that were gathering.

"It is the same in all jobs. In soldiering, for instance, intelligence is essential to success. A general needs to keep a detached view to see around his job properly and win battles. He must keep outside the mêlée to maintain the proper perspective.

"And of the wide value of this cultivation Lord Balfour is an outstanding example. He was a remarkable scientist, and by any standard a notable philosopher. He was, above all, a wonderful listener. I remember that he used to make my own halting utterances sound respectable. He never allowed himself to become immersed in detail, but used his leisure—and he insisted on having a great deal of leisure—to further his power as leader of the nation.

Introspection

"There were days, too, when people thought a great deal about the saving of their souls. Then, you retired from soldiering, or statesmanship, or whatever was your job, and in the close of life went into retreat to settle accounts with life and make your peace with heaven.

"We don't talk quite in that language today, but the need is still insistent. That task is not to be performed only in seclusion in the twilight of life, it must go on all our days.

"But sometimes we must get out of the din and discover ourselves. We all need the virtues of solitude, for we must all be solitary in the great crises of life, and we must all be alone at death.

"That is the greatest of the fruits of leisure, for it gives us a chance to discover ourselves, the opportunity to assess true values and to give our souls that rest and returning which should be our strength."

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Bank Chat

Bankers Grateful

NO ONE seems more pleased that bank executives have dropped the traditional reticence about speaking of their own business than the branch bank manager.

Several have indicated to The Post their gratification that, at last, a defense of bank policy has been made. Most of them look forward to something further along this line. Particularly do they appreciate the fact that the bankers' case has been expressed in readable language and in a form that practically anyone can understand. Most managers have hitherto felt constrained to be governed by head office practice in regard to speaking their mind. Now there is a definite and logical comeback to many of the arguments which have been heard on all sides.

In recent weeks a number of prominent bankers have been asked if the depression has demonstrated any weakness in the policy they have pursued. That is, if business were entering a period of bad times instead of emerging, as it is hoped, would the experience gained over the past six years result in a different policy being followed? The answer has invariably been "no."

• • •

Central Bank Nationalization

THE possible nationalization of the Central Bank of New Zealand is of interest to those affected by the forthcoming shift in the ownership of the Bank of Canada.

M. J. Savage, leader of New Zealand's first Labor government, has stated that if the bank is taken over by the government as a wholly state-controlled institution, the 500,000 shares held privately will be taken over at market prices. No attempt will be made to redeem the shares at par, according to Mr. Savage, as that would entail a loss to purchasers who purchased at a premium. It is pertinent to point out that the present method will also entail a loss to those who purchased the stock at higher than current quotations.

Speaking of New Zealand, three Douglas social crediters were returned at the recent election.

• • •

Going At Twenty-five

TWENTY-FIVE seems to have some sort of fascination for Mr. Aberhart. Back in the days when Alberta's premier was known more for his educational and religious activities than as the proponent of a form of social credit, Calgary was the proud possessor of one of the West's first radio broadcasting stations. An ex-Calgary bank manager tells how Mr. Aberhart secured this station to send out his Sunday evening messages. Soon afterward he suggested over the air that quarter dollars would be a most acceptable medium through which to express the listeners' appreciation of the action of the station owner in providing the means by which the sermons were broadcast.

It is said that quarters were soon rolling in and in volume more than sufficient to pay the charge exacted by the owner of the studio for the time the programme was on the air. Subsequently Mr. Aberhart formed his own broadcasting concern.

In his election campaign this fall, 25 again cropped up. At some meetings, at least, an admission fee of 25 cents was required.

And then, of course, there is, or was said to be, the famous $25 monthly dividend.

• • •

Imperial Decorations

THE new head office building of the Imperial Bank certainly depicts the bank's name. Over the main doorway is a metal frieze which gives due recognition to the various parts of the British Empire. The central feature is a lion and crown, for the bank. On the left is the Canadian coat of arms; and on the right is the coat of arms of Great Britain. These three panels have been designed in enamel and present a most colorful effect; deep shades of red, gold, green, silver, blue, maroon and black were used by the English craftsmen who made them.

Below these panels, raised in the metal itself, are symbols representing the Dominions and Colonies. For instance, there is the codfish for Newfoundland, the sunburst for India, fleece for New Zealand, five stars for Australia, an anchor for South Africa and a pineapple on a coronet for British West Indies.

Thus not only is the bank most attractively decorated on the outside, but it presents a really worthwhile motif in keeping with its own name.

• • •

Staff Changes

THE Royal Bank of Canada has announced the following staff changes:

A. S. HOPKINS, formerly of the supervisor's department at Halifax, to be accountant at Kentville.

W. STEWART, formerly assistant accountant at Halifax, to be accountant at Yarmouth.

J. BARO, formerly accountant at Camaguey, to be manager at Bayamo, Cuba.

J. A. McKillop, formerly accountant at Paris, to be assistant manager at London, West End, England.

M. A. BERNIER, formerly accountant at South Edmonton, to be accountant at High River.

B. T. O. BRADBURY, formerly assistant inspector, resident supervisor's department at Bogota, to be manager at Barranquilla, Colombia.

P. RODRIGUEZ, formerly acting manager at Bayamo, to be assistant manager at Camaguey, Cuba.

L. J. COLVIN, assistant manager at London, West End, England, is retiring on pension.

The Canadian Bank of Commerce announces the following appointments:

J. P. BELL, formerly manager-in-chief at Hamilton, is retiring on pension.

J. M. WILLIAMSON, formerly manager at Galt, to be manager at Dundas.

J. H. TAYLOR, formerly manager at Goderich, to be manager at Galt.

F. J. LITTLE, formerly assistant inspector at Montreal, to be manager at Goderich.

The Bank of Toronto has made the following change in staff:

J. R. Clark, formerly of head office staff, to be manager at Eglinton and Heddington branch, Toronto.

GAIN IN DEBITS LESS THAN USUAL DURING OCTOBER

All Areas Show Decline After Seasonal Adjustment

Although financial transfers in the form of Canadian bank debits were almost $500 millions higher in October than in the previous month, the advance was less than seasonal for the month. Making allowance for the seasonal trend, there was a decline of nearly three per cent. The October total was $2.9 billions, as compared with $2.4 billions in September and with $3.4 billions in October, 1934.

All sections of the Dominion recorded declines after seasonal adjustment, although British Columbia debits were practically maintained. Quebec suffered most, the drop in that province amounting to 11.5 per cent.

Comparison With 1934

Compared with a year ago, the Ontario figure declined nearly 26 per cent and that of Quebec 18 per cent. A smaller reduction of 4.2 per cent was encountered in British Columbia. On the other hand, the Maritimes gained more than eight per cent, and the Prairies, reflecting a larger wheat movement, almost eight per cent.

The cumulative total for the first ten months of the year is now $25.6 millions, or 4.3 per cent below 1934. In this comparison, the Maritimes and British Columbia are higher than a month ago, but these gains were offset by decreases in the other three areas.

The percentage of bank debits to deposits was 142.9 in October against 179.4 in the same month last year, deposits having increased from $1.9 billions to $2.0 billions.

Debits to Individual Accounts

	Oct., 1935	Oct., 1934
	$	$
Maritime Provinces—		
Halifax	27,992,067	22,865,880
Moncton	7,952,361	7,663,944
Saint John	14,740,621	16,375,732
Total—Maritimes	50,685,049	46,905,556
Quebec—		
Montreal	732,024,700	897,777,196
Quebec	49,265,780	56,326,935
Sherbrooke	6,476,072	5,471,459
Total—Quebec	787,766,552	959,575,590
Ontario—		
Brantford	8,356,986	8,927,431
Chatham	6,231,408	6,105,711
Fort William	4,416,831	4,572,309
Hamilton	50,329,902	60,289,290
Kingston	5,455,712	4,683,459
Kitchener	10,922,221	11,911,744
London	29,193,246	33,355,262
Ottawa	117,708,149	191,572,491
Peterborough	5,467,593	4,229,635
Sarnia	6,148,444	6,715,413
Sudbury	4,810,068	4,497,251
Toronto	823,837,133	1,132,270,881
Windsor	28,960,309	16,988,192
Total—Ontario	1,101,838,002	1,487,119,669
Prairie Provinces—		
Brandon	2,482,312	2,687,296
Calgary	82,813,176	50,556,462
Edmonton	35,230,481	36,092,755
Lethbridge	4,972,425	4,425,722
Medicine Hat	3,443,557	2,828,987
Moose Jaw	5,825,293	5,510,050
Prince Albert	2,398,686	2,064,187
Regina	65,188,604	60,552,729
Saskatoon	13,215,790	10,568,882
Winnipeg	604,345,261	587,294,329
Total—Prairies	819,915,585	762,581,399
British Columbia—		
New W'minster	6,113,368	5,280,857
Vancouver	118,096,698	119,542,529
Victoria	23,101,113	28,920,845
Total—B. C.	147,311,179	153,694,231
Total—Canada	2,907,516,367	3,409,875,845

American Bankers Ass'n Names Dodds Vice-Pres.

Jackson Dodds, general manager of the Bank of Montreal and former president of the Canadian Bankers' Association, has been named a vice-president of the American Bankers' Association to represent Canada.

Sharp Rise in Deposits Depresses Credit Index

Current Loans Rise $16 Millions During October, But Use of Credit at Record Low Level — Cash Position More Liquid

Despite considerable expansion in Canadian current loans, the combined statement of Canada's chartered banks indicates that earning power failed to improve during October. An increase of more than $16 millions in current loans, partially offset by a decline of almost $2 millions in call loans in Canada, compares with an advance of $35 millions in demand deposits and $21 millions in savings deposits. Consequently, as measured by The Financial Post index, based on the ratio of call and current loans in Canada to Canadian demand and savings deposits, the use of bank credit declined to 44.4 per cent from 44.9 per cent in September. This figure equals that of last April, a record low.

Funds to Investment

The flow of funds into low interest-bearing government securities also continued during the month, with some $12.7 millions of these being added to holdings. Investments are now well over $200 millions higher than a year ago, reflecting the difficulty of finding satisfactory commercial outlets for bank funds. Other financial institutions have also found themselves obliged to build up huge reservoirs of excess funds. So that there appears no immediate prospect of an increase in lending rates.

A summary of the bank credit situation in Canada is given in the following table:

Use of Bank Credit in Canada (In Millions of Dollars)

	Oct. 1935	Sept. 1935	Ch.	Oct. 1934	Ch.
Loans	1,055.3	1,040.9	+14.4	1,137.5	—82.2
Inv'ts.	1,115.9	1,103.2	+12.7	910.6	+205.3
Total	2,171.2	2,144.1	+27.1	2,048.1	+123.1
Depos.	2,090.5	2,034.3	+56.2	1,912.6	+177.9

There was a switch in investments during the month, involving approximately $80 millions from short term into long term holdings.

Cash Position

The banks' cash position has become more liquid due to an increase of $5 millions in Bank of Canada notes and of $7 millions in Bank of Canada deposits. This increase in Bank of Canada notes was almost exactly equal to the decline in the volume of bank notes outstanding. Apart from deposits, the chief change in liabilities was a drop of $43 millions in balances due the Dominion government.

ASSETS

	October 1935	September 1935	Change	October 1934	Change
	$	$	$	$	$
Immediately Available Liquid Assets					
Canadian coin	5,578,995	5,684,979	—105,984	‡223,550,206	+11,538,836
Bk. of Can. notes	38,655,673	33,284,543	+5,371,130		
Bk. of Can. deposits	190,854,376	183,829,311	+7,025,065		
Bank's cash	235,089,044	222,798,833	+12,290,211	223,550,206	+11,538,836
Other bank notes	5,707,866	9,214,614	—3,506,748	9,813,334	—4,105,468
Gold abroad	10,906,033	9,571,425	+1,334,608	10,835,608	+70,425
Foreign banks	118,311,739	135,929,390	—17,617,631	85,530,868	+32,780,891
Foreign curr.	22,914,449	22,015,440	+899,009	21,898,468	+1,015,981
Gov. sec. short term	355,980,463	435,573,254	—79,592,791	339,838,895	+16,141,568
Do., long term	561,660,376	475,294,726	+86,365,650	392,561,411	+169,098,965
Call loans abroad	52,130,116	60,006,034	—7,875,918	103,917,364	—51,787,248
	1,362,700,106	1,370,403,716	—7,703,610	1,187,946,154	+174,753,952
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	100,529,828	100,028,479	+501,349	90,722,896	+9,806,932
Public secs.†	42,323,625	40,518,948	+1,804,677	48,573,052	—6,249,427
Other secs.	55,375,328	51,793,587	+3,581,741	38,879,611	+16,495,717
Can. call loans	73,758,684	75,623,381	—1,864,697	108,399,690	—34,641,006
Current loans	855,599,556	839,277,861	+16,321,695	895,728,990	—40,129,434
Loans abroad	153,041,866	147,022,941	+6,018,925	133,501,054	+19,540,812
Prov. loans	29,625,578	28,515,312	+1,110,266	26,512,191	+3,113,387
Mun. loans	96,670,586	97,475,556	—804,970	106,853,952	—10,183,366
	1,406,925,051	1,380,256,065	+26,668,986	1,449,171,436	—42,246,385
Other Assets					
Non-curr. loans	14,252,539	14,447,914	—195,375	14,242,976	+9,563
Real estate	8,859,429	8,832,169	+27,260	8,213,645	+645,784
Mortgages	5,453,693	5,453,245	+448	5,797,133	—343,440
Premises	76,394,127	76,265,162	+128,965	78,044,381	—1,650,254
Letters of credit	54,328,225	53,395,895	+932,330	52,688,547	+1,639,678
Loans to comp.	12,910,043	12,957,358	—47,315	13,253,752	—343,709
Other assets	1,911,251	2,320,108	—408,857	1,678,487	+232,764
	174,109,307	173,671,851	+437,456	173,918,921	+190,386
Total	2,943,734,464	2,924,331,632	+19,402,832	2,811,036,511	+132,697,953
Note circ. deb.	6,869,389	6,865,992	+3,397	6,707,486	+161,903
Int. bank bal.	108,033,121	104,918,285	+3,114,836	103,591,092	+4,442,029
Gross	3,058,636,974	3,036,115,909	+22,521,065	2,921,335,089	+137,301,885

LIABILITIES

	October 1935	September 1935	Change	October 1934	Change
To the Public					
Circulation	126,468,158	131,747,122	—5,278,964	139,843,608	—13,375,450
Dom. Govt.	12,902,070	55,805,649	—42,903,579	90,306,854	—77,404,784
Prov. Govt.	47,097,040	41,239,704	+5,857,336	35,439,794	+11,657,246
Bank advances	....	....	....	37,697,000	—37,697,000
Deposits by Public					
Demand dep.	625,206,281	590,014,931	+35,191,350	542,443,750	+82,762,531
Savings dep.	1,465,301,708	1,444,330,569	+20,971,139	1,370,178,568	+95,123,140
Total	2,090,507,989	2,034,345,500	+56,162,489	1,912,622,318	+177,885,671
Foreign dep.	376,661,721	370,406,548	+6,255,173	313,400,563	+63,261,158
Due to Banks Abroad, Etc.					
United Kingdom	9,906,679	11,440,914	—1,534,235	5,862,023	+4,034,656
Foreign	28,094,425	27,706,040	+388,385	22,026,953	+6,067,472
Bills payable	2,060,310	1,701,457	+358,853	871,444	+1,188,866
Letters of credit	54,328,225	53,395,895	+932,330	52,688,547	+1,639,678
Other liabs.	2,335,754	2,474,337	—138,583	1,980,007	+355,747
Total public liab.	2,750,362,371	2,730,263,166	+20,099,205	2,612,739,111	+137,623,260
Due bet. banks	15,084,692	13,666,939	+1,417,753	14,158,418	+926,274
Liability to Shareholders					
Dividends	2,544,818	811,470	+1,733,343	948,250	+1,596,563
Reserve	132,750,000	132,750,000	....	132,750,000	....
Capital	+ 145,500,000	145,500,000	....	145,500,000	....
Gross	3,046,241,876	3,022,991,575	+23,250,301	2,906,095,779	+140,146,097
Credit index*	44.4%	44.9%	—0.5%	52.5%	—8.1%

‡Gold, coin and Dominion notes in Canada.
*Ratio of current and call loans in Canada to demand and savings deposits in Canada.
†Other than Canadian.

Foreign Exchange Markets

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Nov. 26	Nov. 27	Nov. 28	Nov. 29	Nov. 30	Dec. 2
U. S. dollar, High	.5906	1.01 1/32	1.01 1/32	1.01 1/16	1.01 3/32	1.01 1/8	1.01 1/16
Low	.5906	1.00 31/32	1.00 15/16	1.01	1.01 1/32	1.01 1/16	1.01 1/32
1934, High	.5906	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Low	.5906	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
U. K. pound	4.8665	4.98⅝	4.99¼	4.98	4.98¼	4.98¾	4.98¾
Argentina	.4246	.2779	.2778	.....	.2782	.2787	.2794
Australia	4.8665	3.9839	3.9827	3.9821	3.9816	3.9836	3.9830
Austria	.1407	.1900¾	.1901½	.1902	.1902	.1903	.1904
Belgium	.1392	.1709	.1710	.1710	.1710	.1711	.1711½
Brazil	.1963	.0560½	.0560¾	.0560	.0566	.0566¼	.0566½
Czechoslovakia	.0296	.0417¾	.0420	.0421	.0418½	.0418½	.0419
Denmark	.2680	.2228	.2231	.2232	.2225¼	.2227¾	.2228
France	.0392	.0665	.0667	.0666	.0666	.0666	.6687
Germany	.2382	.4064¼	.4075	.4075	.4066¼	.4069¼	.4071¾
Greece	.013	.0095	.0096½	.0096½	.0095¼	.0095½	.0095½
Holland	.4020	.6820½	.6838	.6840	.6842	.6846	.6858½
Hungary	.1749	.2994½	.2976	.2976	.2976	.2998¼	.3000
India	.3650	.3800½	.3798¾	.3800	.3793	.3796½	.3798½
Italy	.0526	.....	.....	.....	.....	.....	.....
Japan	.4965	.2903¾	.2909¾	.2910½	.2910½	.2908¼	.2910
Jugoslavia	.1929	.0231	.0233	.0233	.0231½	.0231½	.0231½
New Zealand	4.8665	4.0241	4.0228	4.0219	4.0217	4.0238	4.0231
Norway	.2680	.2506¾	.2510	.2510	.2504½	.2506¾	.2506½
Poland	.1122	.1908	.1907	.....	.....	.1910	.1911
South Africa	4.8666	4.9649	4.9634	4.9625	4.9620	4.9645	4.9638
Spain	.1929	.1378½	.1381	.1381	.1380½	.1380¾	.1382¾
Sweden	.2680	.2572½	.2576	.2576	.2570	.2572½	.2572
Switzerland	.1930	.3264¾	.3268	.3267	.3268¼	.3270¼	.3273½
Hong Kong	.5422	.3661¼	.3672½	.3688¾	.3693¾	.3681	.3678

Claims Bank Directors Have to be Hand Picked

Editor, The Financial Post:

I was interested in reading, in a recent issue of The Financial Post, Mr. C. A. Ashley's criticism of Mr. Jackson Dodds's address to the Canadian Bankers' Association. The Canadian banks have been so ruthlessly criticized during the past few years for not explaining and defending their policies that it comes as rather a shock to read criticism of a speech in which those explanations were frankly and clearly expounded. Truly, one begins to wonder whether economists really are, as some would have us believe, born with an anti-banker complex.

Choosing Directors

Let us examine Mr. Ashley's letter in detail. He maintains that, while bank directors are nominally chosen by the shareholders, they are in fact elected on the initiative of other directors. He is right. How could it be otherwise? If no precautions were taken to elect men of the right calibre we should have boards totally unfitted to direct the institutions they served: widows, young men who have inherited bank stock, wealthy men with no business qualifications are hardly the type to direct the policies of a financial organization. Let, however, one of these hand-picked directors fall from grace and see how quickly he is dropped from the board.

Interest on Deposits

Mr. Ashley takes issue on the statement that interest is paid to depositors in order to attract the wherewithal to make loans. He infers that deposits would not decrease even if interest was discontinued altogether. This may be partly true under present conditions, but with an expansion of business, savings bank funds would certainly be attracted into commercial channels and the amount available for bank loans would most certainly be curtailed at the very time they are required. It has always been the proud boast of the Canadian banks that they have paid their savings depositors the highest rates available. This policy has earned the banks the goodwill of their depositors and enabled them to retain their depositors' confidence in times of uncertainty, which after all is no mean contribution to the welfare of a country.

Inflation Dangerous Tool

Mr. Ashley then goes on to the subject of inflation and I gather from his remarks that he favors a policy of inflation as a means of increasing prices. This is purely a matter of opinion. I assume, however, the kind of inflation he favors is the mild, controlled variety as practised by Mr. Bennett, and not the type which proved so disastrous to several European powers a few years ago and which might eventuate under the Douglas social credit theory. I think it was the uncontrolled variety Mr. Dodds had in mind when he stated that the result of inflation was universal privation. In any event Mr. Ashley will admit that inflation is a dangerous tool to handle and it is only natural that a banker's cautious nature should rebel at prescribing a cure which might kill the patient.

In conclusion, let me congratulate the bankers upon emerging from the dark and publishing their policies in readable language. By continuing to do so they will smooth out many misunderstandings and may eventually convince the public that they are, after all, useful members of society.

Yours very truly,
"Shylock."

Announces Expansion

A. P. REID

Vice-president and general manager of Central Finance Corporation which recently opened four new branches in Ontario.

Alberta Municipalities Ask Province for Cash

Executive committee of the Union of Alberta Municipalities has requested the Aberhart Government to increase provincial income taxation. The idea is to have the province collect and to rebate amounts to the municipalities, which would allow them to reduce real estate taxation.

In commenting on the fact that the government would consider the matter, Premier Aberhart stated: "As a principle, we are against increasing taxation any more than absolutely necessary, although a shift might be considered."

Weekly Bank Clearings

	Nov. 28 1935	Change year ago	Nov. 21 1935
	$	%	$
Halifax	2,143,425	+10.1	2,726,261
Saint John	1,796,423	+22.0	2,588,079
Moncton	842,560	—11.1	843,198
Sherbrooke	581,865	+13.3	630,921
Quebec	3,878,305	+13.0	5,088,451
Montreal	97,625,625	+3.5	134,569,740
Ottawa	16,329,384	+276.2	58,072,644
Kingston	472,922	+2.1	574,794
Peterborough	560,280	+4.5	651,784
Toronto	108,654,710	+1.7	197,213,269
Hamilton	4,164,075	+22.5	4,804,706
Kitchener	898,728	+5.6	1,180,911
Brantford	757,704	+28.5	973,940
London	2,386,016	+7.2	3,929,130
Chatham	510,484	+2.0	663,791
Windsor	2,306,028	+25.4	2,795,754
Sarnia	464,094	+40.1	607,636
Sudbury	852,595	+15.5	921,080
Fort William	549,244	+3.8	682,669
Winnipeg	64,279,279	+32.2	74,773,901
Brandon	257,345	—5.6	378,054
Regina	3,729,301	+5.5	4,780,911
Moose Jaw	675,940	+68.7	768,376
Saskatoon	1,513,588	+20.3	1,866,329
Prince Albert	383,182	+15.3	373,274
Edmonton	3,543,490	—6.4	4,767,030
Calgary	7,657,357	+45.5	8,238,653
Medicine Hat	265,636	+46.6	319,799
Lethbridge	504,015	+28.0	534,637
N. W'minster	564,143	+13.3	598,645
Vancouver	16,188,392	+19.0	18,986,408
Victoria	1,455,226	+19.0	1,807,892

Central Finance Opens Branches In Four Cities

The Central Finance Corporation has recently opened four new branch offices in Ontario, bringing the total number of offices to 13. The new branches are at Niagara Falls, Brantford, Peterborough, and Bloor and Bay Sts., Toronto.

The expansion accompanies a general increase in the Corporation's business; the volume of loans is said to be 25 per cent higher than a year ago. Officials state that 1931 and 1932 were the worst years of the depression from their viewpoint, 1933 was not quite so bad, 1934 was good, and 1935 has been better. They look for a continuation of this improvement as people are re-employed and reach a point where they can begin to pay off debts. It is pointed out that 80 per cent of the loans handled by the company are made to consolidate already existing obligations.

It is expected that the new branches will help meet the increasing demand and also that they may add to it. Much of the success of the organization, it is claimed, is dependent upon volume. Overhead is exceptionally high.

Bank of Canada Weekly Statement

Most of the changes in last week's Bank of Canada statement were small and of relatively little importance. Notes in circulation dropped $2.7 millions, government deposits were up $5.1 millions and bank deposits $1.4 millions. The main change in assets was an increase of $5.5 millions in reserves held in the United States.

Balance Sheet

	Weeks Ending Nov. 27	Weeks Ending Nov. 20
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	93,443,752	96,128,710
Dep.: Dominion	31,731,209	26,552,150
Banks	184,716,068	183,347,111
Other	1,430,571	939,765
Total deposits	217,877,848	210,839,026
All other liabs.	1,250,013	2,031,236
Total liabs.	317,571,613	313,996,972
Assets		
Reserve: Gold	181,268,470	181,365,795
Silver bullion	1,682,152	1,686,701
Res. in sterling	140,702	938,636
Res. in U. S.	12,475,195	6,927,210
Res. elsewhere	10,643	10,651
Total reserve	195,577,162	190,928,993
Subsidiary coin	287,302	275,826
Adv. to govt.	2,222,000	2,222,686
Investments:		
Dom. govt. short.	33,127,190	32,814,371
Other Dom. govt.	84,191,126	84,189,137
Total invest.	117,318,316	117,003,508
Premises	128,065	128,065
All other assets	2,036,768	3,437,891
Total assets	317,571,613	313,996,972
Reserve ratio	62.85%	62.19%

THE SMOKE OF THE BRITISH EMPIRE
W.D.& H.O.WILLS'
GOLD FLAKE
Cigarettes
CORK TIP OR PLAIN
W.D.&H.O.WILLS
GOLD FLAKE
HONEY DEW
A shilling in London
A quarter here.
POCKET TIN OF FIFTY—55 CENTS

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank—EL. 5101
TORONTO

GLOBE ENVELOPES
Makers of Well Gummed Envelopes
340 ADELAIDE STREET WEST—TORONTO

1866 1935
BRITISH AMERICAN BANK NOTE COMPANY LIMITED
THE OLD CANADIAN COMPANY
Contractors to Canadian Banking.
HOWARD W. PILLOW President
CHARLES G. COWAN Vice-Pres. & Man. Dir.
G. HAROLD BURLAND Sec.-Treas.
HEAD OFFICE : OTTAWA
252 Wellington Street
511 Place d'Armes MONTREAL
1110 Bank of Hamilton Bldg. TORONTO

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which are amalgamated the Western Australian Bank & The Australian Bank of Commerce Ltd.)
Paid-up Capital £8,780,000
Reserve Fund 6,150,000
Reserve Liability of Proprietors 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1934 £116,995,000
A. C. DAVIDSON, General Manager.
723 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
Head Office: GEORGE STREET, SYDNEY.
London Office: 29, THREADNEEDLE STREET, E.C. 2.
Agents: Bank of Montreal; Royal Bank of Canada; Imperial Bank of Canada; Canadian Bank of Commerce.

Position of Chartered Banks of Canada as of October 31, 1935, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Balances Due to Provincial Government	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	29,959,128	9,900,920	15,100,961	....	166,086,338	404,488,079	70,757,680	3,010,533	2,465,783	5,134,567	353,011	7,066,426	1,784,347	780,050	38,000,000	36,000,000	790,837,839
Nova Scotia	10,218,625	287,862	1,627,418	....	41,058,498	141,883,566	39,170,727	2,750,561	156,015	1,585,935	500,634	6,258,109	98,364	8,555	24,000,000	12,000,000	281,604,775
Toronto	4,836,035	146,686	1,570,980	....	29,091,871	69,342,496	647,407	1,622,796	456,700	1,081,690	521,850	1,141,536	....	152,183	9,000,000	6,000,000	125,521,233
Provinciale	3,683,901	21,280	24,583	....	5,713,282	34,361,426	121,328	810	....	34,859	....	177,095	5,184	4,564	1,000,000	4,000,000	49,148,316
Commerce	25,807,811	630,279	11,234,396	....	129,593,088	296,971,344	56,244,012	2,329,775	1,617,591	7,295,116	29,410	16,189,587	....	606,700	20,000,000	30,000,000	598,549,114
Royal	32,076,283	484,679	11,829,405	....	169,732,591	282,613,018	202,463,461	575,889	1,041,856	8,905,288	558,959	17,292,285	53,404	717,294	20,000,000	35,000,000	793,544,418
Dominion	6,204,471	33,165	1,844,155	....	28,689,842	67,644,390	2,894,665	1,909,963	365,540	574,583	....	3,881,921	301,447	2,075	7,000,000	7,000,000	129,546,223
Nationale	6,605,369	324,470	1,056,899	....	23,743,035	84,298,686	1,672,877	839,048	44,602	160,699	90,862	612,397	93,857	147,364	5,000,000	7,000,000	131,698,461
Imperial	6,689,770	862,116	2,799,195	....	30,279,205	80,106,446	627,638	1,718,312	345,240	1,642,760	....	1,551,931	....	176,019	8,000,000	7,000,000	141,798,635
Barclays (Canada)	286,765	10,613	48	....	1,218,531	3,592,257	1,161,926	327,005	3,413,262	1,669,928	5,584	56,938	....	....	750,000	1,500,000	13,992,862
Total	126,468,158	12,902,070	47,097,040	....	625,206,281	1,465,301,708	▲376,661,721	15,084,692	9,906,679	28,094,425	2,060,310	54,328,225	2,335,703	2,544,813	132,750,000	145,500,000	3,046,241,876

▲ Of this amount, $28,099,295 represents deposits in Canada in currencies other than Canadian formerly carried under demand and savings deposits in Canada.

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are partners	Average Notes and deposits with Bank of Can	Greatest amount of Notes in Ci
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	1,260,423	77,544,548	[illegible]
Nova Scotia	15,000,000	12,000,000	12	1,872,288	20,080,457	[illegible]
Toronto	10,000,000	6,000,000	10	674,784	12,176,468	[illegible]
Provinciale	5,000,000	4,000,000	6	714,381	2,709,342	[illegible]
Commerce	50,000,000	30,000,000	8	2,780,524	40,925,445	[illegible]
Royal	50,000,000	35,000,000	8	1,983,746	41,682,176	[illegible]
Dominion	10,000,000	7,000,000	10	1,268,483	7,067,446	[illegible]
Nationale	10,000,000	7,000,000	8	416,635	7,683,373	[illegible]
Imperial	10,000,000	7,000,000	10	505,332	9,179,436	[illegible]
Barclays (Canada)	1,500,000	1,500,000	....	....	681,962	[illegible]
Total	211,500,000	145,500,000	....	11,476,596	219,631,053	136,996,905

*And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canada	Cheques on other banks	Balances due from other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,481,499	182,293	12,749,509	67,945,186	1,285,227	353,145	26,229,369	1,526	2,873,884	35,028,473	136,857,461	182,381,254	31,234,316	4,775,334
Nova Scotia	383,135	1,853,363	3,290,321	17,286,593	414,899	3,240,247	8,914,967	....	554,655	6,807,301	37,263,530	52,611,511	12,165,772	929,162
Toronto	232,518	....	1,738,339	11,381,190	302,880	44,068	5,727,812	....	1,053,381	2,591,280	6,054,953	31,021,439	5,653,034	36,721
Provinciale	201,053	....	798,823	1,688,740	194,055	34,115	1,883,541	2,246,738	60,200	85,673	2,438,791	6,437,451	7,933,661	....
Commerce†	829,785	428,184	4,342,913	32,092,560	961,905	920,897	18,065,192	65,765	551,382	18,234,932	98,511,821	94,521,906	9,319,787	21,797,103
Royal‡	1,314,185	8,340,639	7,101,823	44,751,884	1,342,730	18,092,922	22,694,964	1,452	10,642,150	30,184,881	54,342,661	121,393,527	8,183,739	13,184,759
Dominion	286,161	804	1,771,323	4,604,431	368,775	91,610	5,855,362	....	234,666	2,160,877	9,405,810	2,063,067	4,803,614	1,278,943
Nationale§	469,123	750	2,424,909	3,687,097	434,285	75,473	6,669,277	817,577	250,186	1,363,249	7,235,350	19,029,968	16,151,408	320,603
Imperial	378,599	....	4,264,915	7,066,631	396,730	57,467	6,063,285	613,018	562,603	2,000,551	1,380,378	28,117,493	4,907,569	....
Barclays (Can.)	2,937	....	73,798	350,064	6,380	4,480	697,060	1,486,216	2,212,765	840,531	1,489,699	4,082,730	177,028	....
Total	5,578,995	10,906,033	38,655,673	190,854,376	5,707,866	22,914,449	102,800,829	5,232,292	19,005,002	99,305,757	355,980,463	561,660,376	100,529,828	42,323,625

NAME OF BANK	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	6,624,454	4,435,736	18,885,238	185,641,860	7,021,479	10,372,097	27,752,258	3,473,684	608,165	825,266	14,500,000	1,888,426	100,465	[illegible]
Nova Scotia	10,143,885	4,553,712	1,963,855	80,745,083	13,038,576	585,640	8,256,023	865,538	....	101,655	7,049,288	562,780	2,531,452	[illegible]
Toronto	1,779,059	3,032,926	....	44,052,047	....	....	5,293,599	435,557	....	51,300	3,590,098	335,023	....	[illegible]
Provinciale	3,060,430	4,383,209	....	13,287,476	....	....	1,032,948	141,885	676,642	377,805	2,118,359	200,000	36,720	[illegible]
Commerce†	12,874,661	16,517,995	11,070,869	190,722,978	22,540,183	6,530,652	25,682,052	3,926,409	2,576,265	2,426,257	14,452,987	1,275,000	4,180,489	[illegible]
Royal‡	12,245,190	22,353,781	17,018,553	232,063,666	110,300,309	374,955	9,591,134	4,313,785	3,184,165	823,758	16,240,729	1,600,000	6,848,326	[illegible]
Dominion	2,949,019	6,944,936	3,241,601	53,223,723	82,851	....	1,037,525	396,375	85,462	36,047	5,922,078	342,524	180,322	[illegible]
Nationale§	5,561,087	5,177,110	....	35,001,090	58,568	4,830,746	12,385,894	421,828	1,354,966	392,155	6,070,698	380,506	380,673	[illegible]
Imperial	126,534	5,534,229	....	60,640,424	....	5,712,458	5,639,153	265,501	283,764	419,450	6,000,000	470,424	132,701	[illegible]
Barclays (Can.)	10,930	839,050	....	1,200,370	....	....	....	13,977	....	....	450,000	16,696	....	[illegible]
Total	55,375,328	73,758,684	52,130,116	855,599,556	153,041,866	29,625,578	96,670,586	14,252,539	8,859,429	5,453,693	76,394,127	6,869,389	14,321,178	3,058,636,974

* The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

▲ Total assets include $54,328,225 letters of credit outstanding as shown in liabilities.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)
Capital (fully paid) £ 3,780,192
Reserve Fund £ 3,780,926
Deposits £58,944,630
General Manager
William Whyte
TRADE WITH GREAT BRITAIN
The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.
LONDON — City Office: 3 Bishopsgate, E. C. 2
Head Office: EDINBURGH
252 BRANCHES IN ALL
Associated Bank: Williams Deacon's Bank Ltd.
(Members of the London Bankers' Clearing House)

Quotations

Montreal, Toronto Listed and Curb Prices

WEEK ENDING DECEMBER 2

Range 1935 High	Low	Divd. Rate $	Y'ld in % Nov. 30		Sales	Close Nov. 25 or last	Week Ending Dec. 2 High	Low	Close
				A					
2.00	.50	.	...	Abitibi	3355	1.40	1.40	1.20	1.20
9¼	3		...	Do. pref. 6%	725	7	7	6½	6½
6½	3	.	...	Do. cert. dep.	130	7	6½	6	6
5	5	.	...	Acadia Sugar pf.	....	5	..	..	..
7	3			Acme Glove	....	6½	..	..	..
47	32	3.25	7.1	Do. pref.	....	46	..	..	..
10	7¼	40+20c	6.5	Agnew Surp.	156	9	9½	9	9½
108½	96	7	7	Do. pref.	40	100	100	100	100
3½	1	.	...	Alta. Pac. Gr.	90	3	3	3	3
29	15	.	...	Do. pref.	630	20	25	20	25
25	25	.	...	Aluminium	....	25	..	..	..
3	1½		...	Amal. Electric	....	2	..	..	..
18	12		...	Do. pref.	30	12	12	12	12
29¾	16	40c	...	Amer. Cyn. B.	....	29¾	..	..	..
30½	25			Amer. Celanese	....	25	..	..	..
52½	51	3.50	6.7	Anglo-Can. Tel.p	3	52	52	52	52
18	6		...	Asbestos v. t.	393	14½	15	14	15
13¾	8½	25c	...	Assoc. Brew.	65	11½	11½	11	11
110	104	7	6.4	Do. pref.	....	108½	..	..	..
4	1½		...	Assoc. Can.	....	3½	..	..	..
105½	104½	7	6.6	Atlan. Sugar p	....	105½	..	..	..
				B					
66½	51½	2.52	4.7	Bk. of Canada	217	53½	54½	53	53½
135	126	8	6	Bk. Can. Nat.	....	133½	..	..	..
204	152	8	4.2	Bk. Montreal	76	184½	190	186	186
305	245	12	4.5	Bk. N. Scotia	13	265	268	264	266½
235	183	10	4.8	Bk. Toronto	24	210	210	210	210
11	10	50c	...	Barcelona	....	10½	..	..	..
10	4½	.	...	Bathurst Pr.	620	9¾	9¾	9½	9½
4½	1	.	...	Do. (B)	47	4	4	3½	3½
3.00	.50	.	...	Bawif Grain	55	1.00	1.00	.90	.90
40	17	.	...	Do. pref.	....	18	..	..	..
3	2	.	...	Beath & Sons	45	3	2½	2	2½
15	8½			Beatty Bros. A	555	10¾	11½	10½	10½
95	85	6	6.3	Do. pref.	15	94	95	94	95
7½	2½	.	...	Beauharnois	1150	4¾	4½	4	4
98¾	85	4	4.3	Belding Cort.	....	92	..	..	..
125	116	7	5.6	Do. pref.	....	125	..	..	..
141½	118	6	4.2	Bell Telephone	846	140	141½	139½	141
28	13	1.50	5.6	Biltmore Hats	145	26	28	26	28
110	97½	7	6.4	Do. pref.	10	107	110	110	110
4	3½		...	Bissell, T. E.	....	4	..	..	..
35	25	.	...	Do. pref.	5	32	31	31	31
3½	1¾		...	Blue Ribbon	....	3½	..	..	..
29	19	2	7.7	Do. pref.	140	27	27	26	26
31	27½	2	6.6	Brant. Cord. pf.	135	30½	31	30½	30½
10¾	7½	.	...	Brazilian Tr.	30713	9¾	10½	9½	9½
1.75	.55	.	...	Brew. & Distil.	10285	1.60	1.65	1.45	1.45
4½	1	.	...	Brewing Corp.	5065	2½	2¾	2½	2¾
22¾	8	1.50	13	Do. pref.	1300	11½	13½	11	13
14	11	30c	2.7	Bright, T. G.	....	11	..	..	..
77½	75	6	8	Do. pref.	....	75	..	..	..
16½	13¾	80c	4.9	Brit. Amer. Oil	5479	16	16½	15¾	16
1.75	50		...	B. C. Packers	1445	1.00	1.00	.95	1.00
25	13			Do. pref.	210	23¾	23	22½	22½
30½	21	1.50	5.1	B. C. Power A.	427	29¾	30	29	29½
5	2			Do. (B)	105	5	4¾	4¾	4¾
18¾	14¾	1.20+10c	7.6	Bruck S. M.	1180	16	17½	16¾	17
34½	25½	1	3.2	Building Prod.	255	30	31	30	31
39½	29¾	2	5.1	Burt, F. N.	269	38	39½	36	38½
				C					
84½	80	6	7.4	Calgary Pr.	....	81	..	..	..
6	2	.	...	Canada Bread	4885	4½	6	4½	5½
92	63	1	...	Do. pref. A	5	91	91	91	91
37	17		...	Do. pref. (B)	246	34	37	35	36½
9	5½	20c	..	Canada Bud	1220	7	7	6¾	6¾
8½	5		...	Canada Cement	3855	6½	7	6½	6¾
64½	49½		...	Do. pref.	2791	59	60	58	59
60½	55	1.50+50c	3.4	C. & D. Sug.	130	58½	58½	58	58
16¾	8½		...	Canada Dry	13200	12¾	14	12	13¾
7	2		...	Can. Forg. (A)	....	6	..	..	..
1½	1½		...	Do. (B)	....	1½	..	..	..
35	18		...	Canada Iron	....	30	..	..	..
55	50	3	5.9	Do. pref.	3	51	51	51	51
450	450	20	4.4	Canada Life	....	450	..	..	..
36	29	1.50+50c	5.7	Can. Malting	1977	34½	35½	33½	34
24½	17½	1.20	5.3	Can. Nor. Pr.	635	23¾	23½	22½	23
111	98½	7	6.4	Do. pref.	125	110	110	109½	109½
82½	50	75c	...	Can. Packers	140	80	81	80	80
115	110	7	6.3	Do. pref.	43	111	111	111	111
85	60	.	...	Can. Paper pf.	....	85	..	..	..
.05	.05		...	Can. Paving	....	.05	..	..	..
3¾	2		...	Do. pref.	....	2	..	..	..
150	119	8	5.9	Can. Perman.	10	135	136½	135½	135½
2.75	1.00		...	Can. Steamsh's	155	1.62	1.65	1.60	1.65
11¾	6			Do. pref.	145	8½	8½	8½	8½
29	23	1.60	5.8	Can. Vinegars	495	27½	28	27½	27¾
21	13½		...	Can. W. Cable.	20	20	21	20	21
8	4½		...	Do. (B)	160	8	7½	7	7½
2¾	1	.	...	Can. Bakeries	50	2	2¾	2¾	2¾
33½	13		...	Do. pref.	20	28	33½	31½	33½
169½	120	8	5.6	Can. Bk. Com.	71	140	144	140	141
32	26	60c	2	Can. Bronze	520	30½	30½	29¾	29¾
117	110	7	6.2	Do. pref.	25	116	114	114	114
6¾	3½			Can. Canners	620	5¾	5	4½	5
94	75	6	6.8	Do. 1st pfd.	15	90	89	88	88
9¾	4½	.	...	Do. 2nd pfd.	1725	7	7½	6¾	7½
8½	4½	.	...	Can. Car & Fd'y	2332	6	6½	5¾	5¾
17	10½		...	Do. pref.	1220	11¾	12½	11	12
24¾	18½	.	...	Can. Celanese.	1781	23¾	24¾	23¾	24¾
125	100	7	5.8	Do. pref.	55	118	125	118	125
20½	18	.	...	Do. Rights	30	20¾	20½	20	20
32	25	2	7.7	Can. Convert.	7	25	26	26	26
66	36	4	8	Can. Cottons	....	50	..	..	..
105	93½	6	6	Do. pref.	....	100	..	..	..
42½	19½	75c	1.8	Can. Dredge	4469	38½	42½	38	42½
113	106	7	6.2	Do. pref.	....	113	..	..	..
97	85	6	6.2	Can. Fairb. pf.	....	97	..	..	..
30	18	1.60	6.4	Can. For. Inv.	90	25	25	24½	25
107½	103	8	7.5	Do. pref.	....	107	..	..	..
165	145	3	1.8	Can. Gen. Elec.	....	165	..	..	..
6½	6½	40c	...	Can. G. Inv.	....	6½	..	..	..
82½	37	6	12.2	Can. Hyd. El. p	582	51½	50	47	48
13¾	6¾		...	Can. Ind. Alc.	9765	11½	11½	10¾	10¾
12	6		...	Do. (B)	1290	9¾	10	9	9½
198½	178½	4+75c	2.4	Can. Indust. B.	....	193	..	..	..
166½	148	7	4.2	Do. pref.	....	166½	..	..	..
2	2	.	...	Can. Int. I. Tr.	....	2	..	..	..
25	20			Do. pref.	....	25	..	..	..
30	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
4	2		..	Can. Locomo	....	2½	..	..	..
2½	1	.	...	Can. Marconi	3000	2¾	2½	2	2½
15	11	50c	3.6	Canadian Oil	235	13½	14½	13	14
127	113	8	6.4	Do. pref.	10	125	125	125	125
13¾	8¾	.	...	Can. Pacific	11199	11¾	11¾	11	11½
.15	.10	.	...	C. Pr. & Pa Inv	....	.10	..	..	..
4½	3½	.	...	Do. pref.	10	3½	4½	4½	4½
2.00	1.00	.	...	Can. Vickers	....	1.50	..	..	..
16	6½		...	Do. pref.	....	10	..	..	..
6	2½	20c+5c	8	Can. Wineries	145	3½	3½	3	3
19½	15	25c▲	...	Can. Wire Box.	1435	18½	18	18	18
23	9		...	Catelli Mac A	177	20	23	21	21¾
4½	1½	.	...	Do. (B)	285	2½	4½	3¾	3¾
245	245	8	...	Cent. Can. Ln.	....				
2.35	.55		...	Chem. Research	1300	.85	.85	.75	.80
2½	1½		...	City Gas & Elec	....	1¾	..	..	..
.50	.20		...	Claude Neon	500	.50	.45	.45	.45
17¾	12½	92c	5.2	Coast Brew.	465	17½	17¾	15¾	17½
9¾	6		...	Cockshutt Plow	430	8½	8½	7¾	7¾
.95	.45		...	Comm. Alcohol	400	.85	.80	.75	.80
1.00	.25		...	Conduits	....	.25	..	..	..
61	48		...	Do. pref.	....	50	..	..	..
17½	11½	20c	...	Cons. Bakeries.	435	16	16	15½	15¾
2.25	.70	.	...	Cons. Paper	38604	2.00	2.12	1.65	1.90
7	3		...	Cons. Press	50	5½	6½	6	6½
26½	25		...	Cons. Sand. pf.	....	25	..	..	..
211	125½	1.25	...	Cons. Smelters.	3267	193½	211	200	211
193	184	10	5.3	Consumers' Gas	331	190½	190½	190	190
90	30	1.75	...	Corr. P. Box p.	90	84½	83	82½	82½
7	5			Cosgrave Brew	....	7	..	..	..
20½	14½	52½c	...	Cosmos Imp.	355	19¾	19¾	19	19
108	102¾	7	6.6	Do. pref.	15	105½	107	105½	105½
2½	1½		...	Crown Dom. Oil	....	2½	..	..	..
30	25	2	...	Crow's N. Coal	13	27	30	25	25
				D					
1	1	.	...	David & Fre. B	....	1	..	..	..
4	1¾	.	...	Do. (A)	....	1¾	..	..	..
2½	1½	.	...	De Havilland	....	2	..	..	..
30½	30	.	...	Do. (A)	....	30½	..	..	..
9	5	.	...	Disher Steel	....	..	..	..	..
6½	6½		...	Do. pref.	....	6½	..	..	..
37¾	13½		...	Distill-Seagram	24999	36½	37¾	34¾	37
201½	141	10	5.4	Dom. Bank	124	175	184	180½	181
34	24½	1.20	3.9	Dom. Bridge	1291	31½	31¾	30¾	31
18¾	14¾	75c	...	Dom. Coal, p.	2099	16½	16	15½	15¾
23	17		...	Dom. Engineer.	90	21½	21¾	21½	21½
120	90	5	5	Dom. Glass	40	100	100	100	100
145	129¾	7	5	Do. pref.	18	140	140	140	140
.10	.10		...	Dom. Motors	10	.10	.10	.10	.10
36	32	.	...	Dom. Oilcloth	....	36	..	..	..
1	1	.	...	Dom. Pr. Stubs.	....	1	..	..	..
85½	80	7	8.2	Dom. Rubber, p	....	85½	..	..	..
6	3½		...	Dom. St. & C.B.	3305	5½	5½	4¾	4¾
12½	6½	.	...	Dom. Stores	1372	9	9	8½	9
7¾	3½	.	...	Dom. Tar & Ch.	795	4¾	4¾	4½	4½
72	42		...	Do. pref.	130	58½	58	57½	58
82½	60	5	6.8	Dom. Textile	350	72	73	70	70
150	130	7	4.8	Do. pref.	4	148	146	146	146
4½	1½	.	...	Donnacona P. A.	....	1½	..	..	..
2½	1	.	...	Do. (B)	....	2½	..	..	..
8¾	3	.	...	Dryden Paper	880	5	4¾	4½	4½
				E					
2½	1	.	...	East. Koot. Pr.	....	1	..	..	..
14	5	.	...	Do. pref.	....	6	..	..	..
3½	1¾	.	...	East. Dairies	....	3½	..	..	..
20	12	.	...	Do. pref.	....	20	..	..	..
10	5	.	...	East. Steel	792	10	10	10	10
90½	80	7	7.8	Do. pref.	....	89¾	..	..	..
8	7½	.	...	East. Theatres	....	7½	..	..	..
85	58½	7	8.2	Do. pref.	....	85	..	..	..
3½	1		...	Easy Washing.	10	1¾	1¾	1¾	1¾
20	13½	25c	...	Economic Inv.	....	18	..	..	..
15	15		.	Edmonton D'y	....	..	..	..	..
80	78½	6.50		Do. pref.	....	..	..	..	..
3	1	.	...	Enam. & Heat.	10	1	3	3	3
12½	7	.	...	Eng. Electric	55	10½	11	10½	10½
6¾	3		...	Do. (B)	215	5¾	6½	6	6½
9	6¾	30c	...	European El. A	....	7	..	..	..
				F					
16½	10	50c	...	Fam. Players	65	16	16	15½	15½
17	14		...	Do. Vot. Tr.	10	17	15	15	15
13½	7¾	50c	3.9	Fanny Farmer.	3040	12¾	12¾	12½	12½
32½	23½	50c	1.9	Ford Motors A	4714	26¾	27	25¾	26
2.25	.50		...	For. Pr. Secs.	....	.60	..	..	..
14	9¾	.	...	Foundation Co.	275	13½	13¾	13	13½
8	2½	.	...	Fraser Cos.	100	8	7½	7	7
8	1¾	.	...	Do. Vot. Tr.	190	7½	7½	6½	6¾
61	54	6	10.9	Freiman, pf.	....	55	..	..	..
4	3	.	...	Frost Steel	....	3	..	..	..
89	68	1.75▲	..	Do. pref.	....	89	..	..	..
				G					
5½	3		...	Gen. St. Wares.	558	4	4¾	4	4½
55	35		...	Do. pref.	902	46½	50	46½	48½
72½	50	62c	...	Goodyear Tire	722	64¾	65½	64¾	65
55½	31½	2.50	4.5	Do. pref.	235	55	55½	54	55
1½	1		...	Gt. W. Saddlery	....	1	..	..	..
20	14		...	Do. pref.	....	15	..	..	..
6½	4	.	...	Gurd, Chas.	205	5½	5½	5½	5½
100	89	7	7.4	Do. pref.	....	95	..	..	..
7¾	4½			Gypsum Lime	4501	6½	7	6½	6½
				H					
5½	3	.	...	Ham. Bridge	696	4½	4½	3½	3½
33	18		...	Do. pref.	80	24	24	23	24
30½	24	1.50	...	Ham. Cot. pf.	100	24½	25	25	25
2½	½	.	...	Ham. U. Theat.	16	½	½	½	½
60	48	4	8	Do. pref.	5	50	50	50	50
3½	2½		...	Harding Carpet	25	3	2¾	2¾	2¾
13½	10	50c	...	Hinde & Dauch.	780	13	13¾	13	13
6	5	.	...	Holt Renfrew	....	5	..	..	..
30	25			Do. pref.	....	25	..	..	..
.60	.15	.	...	Honey Dew	100	.50	.45	.45	.45
8	6	.	...	Do. pref.	15	7	7	7	7
13	9	.	...	H. Smith Pap.	2764	12½	12¾	11½	12
115	84	.	...	Do. pref.	338	110	115	109½	113½
35½	28	2	5.7	Humberstone S	25	35½	35	35	35
11	6		...	Hunts (A)	....	6	..	..	..
11	7		...	Do. (B)	....	7	..	..	..
103	80	6	7.2	Huron & E. Mt.	20	89¾	84	84	84
17½	14	.	...	Do. 20% pd.	33	14	14¾	14¾	14¾
5	3	.	...	Hydro Electric.	....	5	..	..	..
				I					
208½	157	10	5.2	Imperial Bank.	126	186	193	186	191
22¾	15¾	50+75c	6.2	Imperial Oil	19938	21	21	20	20
14½	12	52½c	3.7	Imperial Tob.	3442	14	14	13½	13½
7½	6¾	6%	...	Do. pref.	....	7½	..	..	..
20½	17	1	...	Inter City Bak.	80	18	18	18	18
42	25	3	7.3	Inter'c Coal	275	40	41	40	41
100	100	8	8	Do. pref.	....	100	..	..	..
4¾	1½	.	...	Int. Hyd. E. A.	2900	4	4	3½	3½
6	2		...	Int. Metal Ind.	390	4	4	3½	3½
45	25		...	Do. pref.	....	32	..	..	..
104½	99	7	...	Inter. Mill., pf.	81	104	104½	104	104½
41¾	22½	1	2.4	Inter. Nickel	103855	39½	41¾	38¾	40¾
4½	2		...	Inter. Paints	50	3	3	3	3
20	18½	.	...	Do. pref.	35	18½	18½	18½	18½
b4½	1½	.	...	Int. Pa. & P. A.	2000	4	4	3¾	3¾
b2¾	¾	.	...	Do. (B)	900	2¾	2¾	2½	2¾
b2	½	.	...	Do. (C)	2900	1¾	1½	1¾	1¾
b20½	4½	.	...	Do. pref.	9700	18¾	19¾	17¾	18½
38½	23½	1.50+1	7.2	Inter. Pete.	14705	37½	37½	34½	34½
6	1		...	Inter. Power	130	3½	4	3½	4
64	40	1	...	Do. pref.	140	57	57	55	57
13½	12½	.	...	Inter. St. Rly. A	....	13¾	..	..	..
2	2	.	...	Do. (B)	....	2	..	..	..
4½	1½	.	...	Int. Util. (A)	5	3½	3½	3½	3½
.85	.25	.	...	Do. (B)	400	.50	.50	.40	.40
				J					
30	22	1	5	Jam. Pub. Ser.	....	30	..	..	..
126	115	7	5.6	Do. pref.	14	125	125½	125½	125½
				K					
8¾	6	.	...	Kelvinator	30	6½	7	7	7
107	102	7	6.7	Do. pref.	....	105	..	..	..
				L					
15	7	.	...	Lake of Woods	577	13¾	13½	13	13
125	80	1.75	...	Do. pref.	25	120	125	125	125
75	54	5	9.2	Landed Bank.	....	54	...	..	..
4	3½			Langley's	....	3½	..	..	..
80	50	7	14	Do. pref.	10	50	50	50	50
66	59	3	4.6	Laura Secord	190	65½	66	65	65
5	2½		...	Lindsay, C. W.	75	3	3	3	3
40½	39			Do. pref.	10	40	40	40	40
19½	16½	1	5.3	Loblaw (A)	2337	18¾	19	18½	18¾
18½	16	1	5.7	Do. (B)	490	17½	17½	17½	17½
7½	6¾	10c	...	Louisiana L.	....	6¾	..	..	..
				M					
3½	3½	.	...	MacKin. Steel	....	3½	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
2½	2	.	...	Manitoba Pr.	....	2	..	..	..
1.00	.50	.	...	M. L. Gardens	....	.50	..	..	..
4¾	3½	.	...	Do. pref.	20	4½	4¾	4¾	4¾
1.50	.40	.	...	Maple Leaf	135	1.05	1.15	1.10	1.15
5	1		...	Do. pref.	156	3	3½	3	3
12¾	12	60c	4.7	Maritime Tel.	....	12¾	..	..	..
15	14½	70c	4.7	Do. pref.	....	14¾	..	..	..
20	14			Marcus Loew's	....	16½	..	..	..
115	108½	7	6.3	Do. pref.	....	111½	..	..	..
7¾	3½	.	...	Massey-Harris	8905	6½	6¾	6½	6½
37	18¾		...	Do. pref.	370	34½	34	34	33½
15¾	11¾	80c	6.3	McColl Fron.	2780	12¾	13	12¾	12½
100¾	94	6	6.1	Do. pref.	62	98¾	98½	98	98
14½	7	50c	...	Melchers (A)	1080	11	11½	10½	10½
7	2½		...	Do. (B)	215	4¾	4¾	4½	4½
10	8½		...	Mercury Mills p	....	10	..	..	..
27	20	1	...	Mitchell, J. S.	....	23	..	..	..
101	101	7	6.9	Do. pref.	....	101	..	..	..
7½	3½	.	...	Mitchell, Robt.	185	5¾	6¾	5½	5½
5	2½	.	...	Monarch Knit.	65	2½	2½	2½	2½
90	71½	7	7.9	Do. pref.	1	89	89	89	89
30	20	.	...	Montreal Cot.	....	30	..	..	..
97	73	7	8.3	Do. pref.	40	84	84	80	80
¼	¼			Montreal Exhib.	....				
1.30	1.00		...	Mont. Is. Pr.	....	1.30	..	..	..
33¾	26¾	1.50	4.5	Mont. L. & Pr.	18056	36¾	36	32½	33
32	30	2.50	8.3	Montreal Loan.	318	30	30	30	30
9	6¾		...	Mtl. Ref. & S.P.	35	9	9	9	9
2	1½		...	Do. Vot. Tr.	35	2	2	2	2
58	54½	3.20	5.5	Montreal Tele.	....	58	..	..	..
100	80	9	9.1	Montreal Trams	115	98	100	99	100
29½	17½	50c	1.2	Moore Corp.	1815	27	29½	27¾	29
149	118½	7	4.9	Do. pref. (A)	112	148	148	143	145
185	135	7	3.8	Do. pref. (B)	22	178	185	182½	185
1.10	.25			Muirheads	....	.35	..	..	..
6	3	.	...	Do. pref.	....	3	..	..	..
				N					
40	31	1.60	4.2	Nat. Breweries	5333	39	39½	37½	38
44	38	1.75	4.2	Do. pref.	50	43	42	42	42
7½	4½	.	...	Nat. Grocers	775	6½	6¾	6½	6½
135	121	7	5.4	Do. pref.	23	135	132	130	130
22	14½	.	...	N. Sew. Pipe A	....	16¾	..	..	..
18½	12½	.	...	Nat. Steel Car	285	15	15	14½	14½
204	175	8	4.1	National Trust	6	196	197	195	197
35	15	1	2.9	Niag. W. Weav.	560	28	35	32	35
52	45½	3	5.9	Do. pref.	....	51	..	..	..
1.90	.60	.	...	North Star Oil	140	1.40	1.25	1.10	1.10
4.00	1.50	17½c	...	Do. pref.	200	3.50	3.75	3.50	3.50
				O					
190	140	8	4.3	Ogilvie Flour	231	180	190	180	190
152	130	7	4.7	Do. pref.	35	150	150	148	148
8½	5½			Ont. Eq. 10% pd	298	6	6½	5½	6½
115	107½	6	5.4	Ontario Loan	....	110½	..	..	..
18	8	.	...	Ont. Silknit	670	14	18	13¾	16½
105	75	7+2▲	..	Do. pref.	270	97	105	97	103¾
6½	5	.	...	Ont. Steel	....	5	..	..	..
.35	.10	.	...	Orange Crush	....	.10	..	..	..
17	6		...	Do. 1st pref.	....	15	..	..	..
.55	.20		...	Do. 2nd pref.	....	.45	..	..	..
15	5			Ottawa Car	....				
87	74	6	7	Ott. L. H. & Pr.	1	85	86	86	86
110	100	6.50	5.9	Do. pref.	5	108	110	110	110
22	14	2	...	Ott. Traction	15	18	18	18	18
				P					
88	75	3	3.7	Page Hersey	703	81	82	79	79
3¾	3½	.	...	Pantepec Oil	20	3½	3½	3½	3½
17	17	.	...	Paton Mfg.	....	17	..	..	..
98	94	7	7.2	Do. pref.	....	98	..	..	..
63½	41	3	6.6	Penmans	5	45	45½	45½	45½
116	106½	6	5.2	Do. pref.	....	116	..	..	..
25½	20½	1	4	Photo Eng.	420	25	25½	25	25
91½	70	7	8.2	Porto Rico Pr. p	10	85	85	85	85
12¾	6½	.	...	Power Corp.	3507	12	11¾	10½	11
99	80	6	6.2	Do. pref.	135	97	97¾	97	97
2.50	80			Prairie C. Oil	....	1.00	..	..	..
20¾	6	25c	...	Pressed Metals.	4141	19¾	20¾	19½	20
3.87	1.50		...	Price Bros.	1250	2.75	2.82	2.50	2.50
33¾	14	.	...	Do. pref.	116	19½	19¾	17½	17½
				Q					
17½	13	1	6.9	Quebec Power.	1676	16½	16	14½	14¾
				R					
58	40	2	5	Real Estate L'n.	....	40	..	..	..
7	4½	.	...	Regent Knit.	590	5¾	6½	5¾	6
5	2	.	...	Reliance Grain.	....	5	..	..	..
31	27	1	3.2	River. S. Mills.	35	30	31	31	31
9	5½		...	Rogers Majestic	6466	6¾	6¾	6¾	6¾
95	83	6	6.3	Rolland P. pf.	85	94½	95	94½	95
173½	133½	8	5	Royal Bank	241	157	160	157	159½
32	20	.	...	Russell Motor	5	32	30	30	30
101	70	7	6.9	Do. pref.	36	95	101	98	98
				S					
5	2	.	...	Sarnia Br. (A)	....	4	..	..	..
1	1	.	...	Do. (B)	....	1	..	..	..
23	14½	50c	2.4	Shawinigan	10630	21¾	21¾	19¾	20½
17	9½	.	...	Sher. Wms.	1260	13½	14	13½	14
112½	100	1.75▲	...	Do. pref.	5	110	112½	112½	112½
14	8	.	...	Simon & Son	....	9¾	..	..	..
109½	90	.	...	Do. pref.	....	92	..	..	..
90	62	4	4.9	Simpson, Ltd.	784	77½	82	77	80
12	9			Do. (A)	....	11	..	..	..
11	5			Do. (B)	30	10	10	10	10
110	103	6	5.4	Simpson, R., p.	190	110	110	109	110
14½	9½	80c	6.2	So. Can. Pr.	395	14	14	13	13
100	82	6	6	Do. pref.	144	99¾	99¾	99	99¾
1.90	.60			St. Law. Corp.	1020	1.85	1.85	1.60	1.60
8¾	2			Do. (A)	423	7¾	7½	6¾	7
39½	30	2	5.6	St. Law. Flour.	5	33	36	36	36
125	113	7	5.8	Do. pref.	15	117	120	120	120
16½	8½	.	...	St. Law. Pap. p	890	15½	16	14½	15
7	4	.	...	Stand. Chem.	....	7	..	..	..
1.75	.70	.	...	St. Pav. & Mat.	95	.95	1.10	1.00	1.10
15	9	.	...	Do. pref.	5	13	13	13	13
25	20		...	Stand. Steel, pf.	....	25	..	..	..
54	42	1.75	3.3	Steel of Can.	963	52½	53	52½	52½
49	41	1.75	3.7	Do. pref.	139	47½	48	48	46
4	2	.	...	Sterling Coal	....	3½	..	..	..
4¾	4¾	.	...	Stop & Shop	....	4¾	..	..	..
3	1½		...	Supersilk, H.	8	1¾	1¾	1¾	1¾
70	58½	3.50	5.1	Do. pref.	17	67	69	69	69
31½	21½	1	3.4	Sup. Pete. ord.	60	29	29	29	29
29	23	1	3.4	Do. com.	....	29	..	..	..
115	110	7	6.3	Do. pref.	....	111	..	..	..
				T					
34	23	.	...	Tamblyn	....	32	..	..	..
114	110	7	6.2	Do. pref.	....	112	..	..	..
6	2	.	...	Thayers	....	2	..	..	..
41	33	3.50	10.6	Do. pref.	....	33	..	..	..
2½	1		...	Thrift Stores	....	2½	..	..	..
13	5		...	Do. pref.	....	8	..	..	..
12¾	7		...	Tip Top Tailors	685	8¾	9	8¾	9
98½	90	7	7.2	Do. pref.	20	97	98	98	98
†22	10			Tooke Bros.	....				
15	10		...	Do. pref.	....	10	..	..	..
42	32½	1	2.6	Tor. Elevators.	135	37	38	37½	38
129½	108	7	5.8	Do. pref.	5	116	121	117	121
125	80	4	4.7	Tor. Gen. Tr.	6	84	85	82	82
121	110	6	5	Toronto Mtge.	....	120	..	..	..
146	133½	7	4.8	Tuckett Tob. p.	27	145	146	145	145
12½	2	.	...	Twin City	1613	7¾	12½	9¾	10½
b49	18	.	...	Do. pref.	....	..	..	..	..
				U					
10	3¾	.	...	Union Gas	2283	9½	9¾	9	9
11½	9	.	...	Un. Amuse. A.	....	10¾	..	..	..
17½	7½	.	...	Do. (B)	....				
1.40	.50	.	...	United Distill.	1830	1.05	1.00	.90	.90
13	3	.	...	United Fuel	....				
29	15½	.	...	Do. pref.	1255	23½	27	23½	26¾
30	23	2	8.5	United Secs.	....	23½	..	..	..
5	2		...	United Steel	530	3½	3¾	3¾	3½
				V					
2.00	1.00	.	...	Viau Biscuit	25	1.50	2.00	2.00	2.00
20½	12	.	...	Do. pref.	....	16½	..	..	..
				W					
27	16	.	...	Wabasso Cot.	10	23	21	21	21
35	23	.	...	Walker-Good.	4579	31½	32¾	30½	30¾
18½	16¾	1	5.7	Do. pref.	1603	17¾	17¾	17½	17½
4.25	2.00	.	...	Walkerville Br.	1365	3.12	3.00	2.62	2.87
2.75	1.00	.	...	Waterloo Mfg.	50	1.80	1.80	1.80	1.80

Canadian Bond Markets

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)

December 4, 1935

Dominion of Canada Bonds

			Bid Dec. 4	Asked	Approx. Yield	Bid Nov. 27
Dominion	2	15 Oct. 1936	100.15	100.70	1.13	100.15
Dominion	5	15 Nov. 1936	102.50	103.50	1.26	102.50
†‡Dominion	5	1 Mar. 1937	105.50	106.50	...	105.50
‡Dominion	5½	1 Dec. 1937	107.25	108.25	1.30	107.00
Dominion	2½	15 Oct. 1939	100.75	101.75	2.03	100.75
Dominion	4	15 Oct. 1939	105.75	106.75	2.17	105.75
Dominion	4½	1 Sept. 1940	108.50	109.50	2.37	108.25
Dominion	5	15 Nov. 1941	109.75	110.75	3.01	109.50
Dominion	3	15 Oct. 1942	102.00	103.00	2.52	101.65
Dominion	2½	1 June 1943	99.75	100.75	2.39	99.50
Dominion	5	15 Oct. 1943	110.75	111.75	3.29	110.50
Dominion	4½	15 Oct. 1944	108.65	109.65	3.23	108.00
Dominion	4	15 Oct. '43-45	105.35	106.35	3.09▲	105.00
Dominion	4½	1 Feb. 1946	108.65	109.65	3.37	108.00
Dominion	3½	15 Oct. '44-49	101.25	102.25	3.20▲	101.00
Dominion	4	15 Oct. '47-52	105.00	106.00	3.39▲	105.00
Dominion	3	1 June '50-55	97.25	98.25	3.12	97.25
Dominion	4½	1 Nov. '46-56	106.50	107.50	3.66▲	106.25
Dominion	4½	1 Nov. '47-57	106.50	107.50	3.71▲	106.25
Dominion	4½	1 Nov. '48-58	106.75	107.75	3.74▲	106.65
Dominion	4½	1 Nov. '49-59	106.85	107.85	3.78▲	106.65

Dominion Guaranteed Bonds

			Bid Dec. 4	Asked	Approx. Yield	Bid Nov. 27
*G. T. P. Ry.	3	1 Jan. 1962	98.25	99.25	3.04	98.25
Can. N. Ry.	3	1 May 1944	100.00	101.00	2.88	99.75
Can. N. Ry.	3	15 Dec. '45-50	97.75	98.75	3.10	97.50
*Can. N. Ry.	4½	1 Sept. 1951	109.75	110.75	3.61	109.50
*Can. N. Ry.	4½	1 Feb. 1956	110.00	111.00	3.73	109.75
†Can. N. Ry.	4½	1 Feb. 1957	109.00	110.00	3.82	108.75
*Can. N. Ry.	4¾	15 June 1955	112.25	113.25	3.80	112.25
Can. N. Ry.	5	1 Feb. 1954	113.00	114.00	3.93	113.00
*Can. N. Ry.	5	1 July 1969	113.00	114.00	3.60▲	113.00
*Can. N. Ry.	5	1 Oct. 1969	114.50	115.50	3.83▲	114.25
*M. Harb. C.	5	1 Nov. 1969	115.00	116.00	3.79▲	114.75

Provincial Government Bonds

			Bid Dec. 4	Asked	Approx. Yield	Bid Nov. 27
Eastern—						
†N. Bruns.	4½	15 Apr. 1961	107.25	108.50	3.96	108.00
†N. Bruns.	5	15 Jan. 1960	112.75	113.75	4.11	112.50
N. Bruns.	5½	15 May 1950	113.00	114.00	4.20	113.00
N. Scotia	4½	15 May 1943	106.50	107.50	3.36	106.50
†N. Scotia	4½	15 Sept. '47-52	107.75	108.75	3.60▲	108.00
N. Scotia	4½	15 May 1961	108.75	109.75	3.89	109.25
†N. Scotia	5	1 Mar. 1960	113.50	114.50	4.06	113.50
*Ontario	4	1 June 1962	103.50	105.00	3.70	104.25
*Ontario	4½	1 Sept. 1944	108.00	109.50	3.24	108.00
Ontario	4½	1 June 1950	107.00	108.00	3.78	106.25
*Ontario	4½	15 Jan. 1962	108.00	109.50	3.92	108.50
Ontario	5	15 Oct. 1948	110.25	111.25	3.89	110.25
*Ontario	5	2 Dec. 1960	114.50	116.00	3.98	114.50
Ontario	5½	1 July 1946	113.25	114.25	3.86	113.00
O. H. C.	3½-4-5	1 Oct. '32-52	100.25	101.25	4.31●	100.00
*Ont. Hyd. C.	4	1 Aug. 1957	104.00	105.50	3.64	104.00
Ont. Hyd. C.	4¾	1 Jan. 1970	110.50	112.00	4.09	109.00
Quebec	4	15 Mar. 1952	106.25	107.25	3.42	106.25
Quebec	4¼	1 Aug. 1958	108.75	109.75	3.62	109.00
Quebec	4½	2 Jan. 1963	111.25	112.25	3.78	111.50
Western—						
†Alberta	4	1 Dec. 1957	87.00	89.00	4.81	87.00
†Alberta	4½	1 Oct. 1956	89.00	91.00	5.21	90.00
†Alberta	5	1 Jan. 1948	95.00	97.00	5.34	96.50
Alberta	5	1 Sept. 1955	92.50	94.00	5.49	93.50
*Alberta	5	1 Oct. 1959	96.00	97.50	5.18	96.25
†Alberta	5½	1 Jan. 1947	99.00	100.50	5.44	99.00
Alberta	6	1 Mar. 1947	98.50	100.00	6.00	99.00
†Brit. Col.	4	1 Dec. 1957	93.00	94.00	4.43	93.00
*Brit. Col.	4½	15 Jan. 1951	97.50	98.50	4.64	98.00
†Brit. Col.	4½	1 Oct. 1953	97.00	98.00	4.67	97.25
†Brit. Col.	5	15 Jan. 1948	100.25	101.00	4.89	100.50
Brit. Col.	5	1 Sept. 1953	99.50	100.50	4.95	100.00
Brit. Col.	5½	1 Feb. 1945	100.00	101.25	5.32	100.25
Brit. Col.	6	15 Feb. 1947	102.00	103.00	5.63	102.25
†Manitoba	4	1 Dec. 1957	99.00	100.00	4.00	99.50
†Manitoba	4½	15 Dec. 1956	102.00	103.00	4.29	102.50
†Manitoba	5	15 June 1954	105.00	107.00	4.45	106.00
*Manitoba	5	2 Dec. 1959	107.50	109.00	4.39	108.00
Manitoba	5½	1 Oct. 1955	106.50	107.50	4.91	106.50
Manitoba	6	1 Apr. 1947	107.00	108.00	5.07	107.00
Sask.	4	15 Aug. 1953	88.25	89.25	4.91	87.50
*Sask.	4½	2 July 1945	97.00	98.50	4.70	97.00
†Sask.	4½	1 Oct. 1951	94.50	95.50	4.89	95.00
Sask.	5	1 Aug. 1958	99.00	100.00	5.00	99.00
†Sask.	5½	15 Nov. 1946	101.50	102.50	5.20	102.00
Sask.	6	15 Mar. 1952	104.50	106.00	5.44	105.00

Municipal Bonds

			Bid Dec. 4	Asked	Approx. Yield	Bid Nov. 27
†Calgary	5½	2 June 1944	84.00	88.00	7.43	82.00
†Edmonton	5½	1 Nov. 1945	85.00	88.00	7.20	85.00
†Halifax	5	1 July 1961	112.00	113.50	4.14	112.00
Hamilton	5	1 May 1950	106.75	109.75	4.10	106.75
Montreal	5	1 Mar. 1945	105.00	106.50	4.15	105.00
Ottawa	4½	1 July 1945	105.50	108.50	3.46	105.50
†Quebec	5	1 June 1959	108.50	109.50	4.35	108.00
Regina	5	1 July 1944	84.00	88.00	6.85	84.00
St. John	5	15 Dec. 1950	108.00	109.00	4.19	108.00
†Toronto	4½	1 Jan. 1955	108.00	111.00	3.70	107.00
Vancouver	5	1 June 1969	91.00	93.00	5.46	92.00
Victoria	5	21 July 1945	95.00	98.00	5.26	94.00
Winnipeg	5	1 Mar. 1944	102.00	104.00	4.41	102.50

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ●Calculated to maturity, although callable prior to that date. ‡Exempt from Dominion income tax.

The Financial Post's Quotations

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of

Mining Stock Quotations

WEEK ENDING DECEMBER 2

Par. Val.	Range 1935 High	Low	Company	Sales	Close Nov. 25 (or last)	High for week	Low for week	Close Dec. 2
1	.77½	.38	Afton	52,400	.54	.55	.46	.50
No	.11	.04	Aldermac	27,550	.05	.08	.05½	.08
1	.02½	.00¾	Alexandria	4,000	.01	.00	.00¾	.01
No	.57	.35	Algold	5,100	.53	.54	.51	.54
No	.08½	.02½	Algoma	66,400	.05½	.05½	.04½	.05
No	4.50	3.55	Anglo-Huronian	420	4.10	4.10	4.00	4.00
No	.04	.01½	Arno	......	.02	.....	.....	.....
1	1.19	1.00	Arntfield	5,425	1.02	1.03	1.00	1.02
1	.32	.06½	Ashley	7,750	.21	.22	.15	.15
1	.08	.02	Astoria Rouyn	500	.02	.02½	.02½	.02½
1	.14	.03	Bagamac	196,650	.04½	.07	.05	.05½
1	.08½	.02½	Barry Hollinger	10,000	.04½	.04¾	.04	.04½
1	.94	.13	Base Metals	93,175	.28	.35	.25	.30½
1	1.06	.14	B.E.A.R.	52,100	.57	.57½	.48	.50
No	2.16	1.25	Beattie Gold	15,325	1.61	1.60	1.54	1.55
1	.75	.30	Big Missouri	14,184	.62	.63	.59½	.60
1	.38	.16½	Bobjo	21,770	.17	.19½	.16½	.19
No	12.50	4.25	Bralorne	2,950	5.40	5.60	5.40	5.50
1	.61	.20	Brazil Gold	10,800	.38	.37	.36	.36
1	.03	.00½	Brett Trethewey	2,500	.02½	.02½	.02½	.02½
50c	.24	.07	B.R.X. Gold	1,600	.08	.08	.08	.08
1	3.70	2.35	Buffalo Ankerite	9,380	3.55	3.70	3.53	3.60
No	.03½	.00¾	Buffalo Can.	2,000	.01	.01½	.01½	.01½
5	38.15	30.00	Bulolo Gold	325	32.25	32.50	32.25	32.50
No	.08½	.03	Bunker Hill	2,360	.07	.07½	.06½	.07½
1	.03½	.01	Can. Kirkland	4,500	.01½	.01½	.01½	.01½
No	.95	.54	Can. Malartic	42,173	.88	.95	.80	.95
1	1.50	.95	Cariboo Gold	1,830	1.23	1.20	1.17	1.19
1	.05½	.02	Cartier Malartic	12,500	.02½	.03½	.03	.03
1	1.34	.55	Castle Trethewey	20,760	1.19	1.20	1.13	1.16
1	.07½	.02½	Cen. Manitoba	14,200	.07	.07	.06½	.07
1	2.39	1.12	Cen. Patricia	79,352	2.25	2.39	2.24	2.38
No	.27	.08	Chibougamau Pros.	50,600	.14	.15	.13	.14
No	.06½	.03	Church M. & Mill	2,000	.05½	.05½	.05	.05½
No	.08	.02	Clericy	163,600	.02½	.03	.02	.02½
5	3.50	1.50	Coast Copper	4,475	3.00	3.50	2.50	3.20
1	.08	.01½	Cobalt Contact	500	.02	.01¾	.01¾	.01¾
5	3.60	2.00	Coniagas	700	3.15	3.15	2.95	2.95
No	2.60	1.35	Coniaurum	6,032	2.25	2.34	2.10	2.10
25	211.00	125.50	Cons. Smelters	3,367	203.50	211.00	200.00	211.00
No	44.00	34.50	Dome Mines	2,559	41.50	42.75	41.50	41.50
1	.10	.03½	Dom. Explorers	1,250	.05½	.05½	.05	.05½
1	.17½	.06	Duparquet	18,100	.08½	.08½	.07½	.08
1	2.93	1.02	Eldorado	25,225	1.45	1.45	1.35	1.38
No	6.65	3.25	Falconbridge	34,859	5.75	6.65	5.75	6.30
1	.04½	.02	Federal	22,500	.02½	.02½	.02½	.02½
No	.16½	.05	Francoeur Gold	2,600	.10	.09½	.08½	.08½
1	.40	.03	Franklin Gold	24,100	.04	.04½	.03½	.04
1	.45	.09	Gabrielle	200	.19½	.22	.20	.20
No	2.24	1.17	God's Lake	59,444	1.20	1.34	1.20	1.30
1	.20	.10	Goldale	13,900	.14½	.16	.14½	.15½
50c	.45	.20	Gold Belt	......	.20	.....	.....	.....
1	.15	.04	Goodfish	5,300	.10	.13	.10	.12
1	.07	.02	Graham Bosquet	3,000	.03	.03½	.03	.03
1	.40	.17	Granada Gold	10,765	.21	.21	.20	.20
No	.12	.05½	Grandora	6,500	.06	.06	.05½	.05½
1	.45	.14	Greene Stabell	2,000	.20	.21	.20	.20
1	.05	.02½	Grozelle	......	.02½	.....	.....	.....
1	.10	.04	Grull Wihksne	5,500	.06	.10	.06½	.10
1	.97	.48	Gunnar Gold	92,730	.72	.77	.67	.71½
1	.08½	.02	Halcrow Swayze	1,400	.03	.03	.02½	.02½
1	.49	.30	Hard Rock	8,700	.35	.36	.30	.35½
1	.10	.04	Harker	6,657	.04½	.04½	.04½	.04½
5	20.25	11.65	Hollinger	7,988	14.55	14.95	14.35	14.70
1	1.10	.55	Howey Gold	12,200	.61½	.62	.60	.62
No	21.25	11.50	Hudson Bay	7,690	19.75	21.25	19.37	20.00
1	15.35	11.85	Inter. Mining	10	11.35	13.00	13.00	13.00
1	6.50	5.00	Do., Pur. Warr.	......	5.00	.....	.....	.....
No	41.75	22.25	Int. Nickel	103,855	39.12	41.75	38.75	40.75
100	130.75	125.00	Do., Pref.	......	125.00	.....	.....	.....
1	.20	.09½	J.M. Cons. Gold	126,450	.16	.18½	.16	.16½
1	.75	.40	Kerr Lake	......	.40	.....	.....	.....
1	.31	.20	Kirk. Hud. Bay	2,500	.22	.26	.22	.26
1	.65	.33½	Kirkland Lake	119,570	.38	.48	.37	.46
1	.33½	.12	Kirk. Townsite	3,100	.12	.16	.14	.15
No	.07	.02	Lake Maron	5,100	.03	.03	.02½	.02½
1	58.00	46.25	Lake Shore	1,709	53.50	53.50	50.37	51.00
No	.08	.01½	Lamaque Contact	5,700	.03	.03½	.03	.03
1	.18	.12	Lebel Oro	6,293	.14	.14	.12	.12
1	.08	.02½	Lee Gold	46,500	.03½	.03½	.02½	.02½
No	7.25	4.15	Little Long Lac	6,080	5.70	5.75	5.55	5.70
1	3.05	1.31	Macassa	85,752	2.73	3.00	2.70	2.95
1	.08	.00½	Malrobie	71,200	.00¾	.01½	.01	.01½
No	.12	.05½	Mandy	9,545	.09	.12	.09	.10
No	.12½	.03	Man. & Eastern	14,300	.04½	.04½	.04½	.04½
1	.14	.02½	Maple Leaf	15,400	.06	.06½	.06	.06
5	46.00	34.00	McIntyre	980	39.75	40.12	38.50	39.00
1	1.45	.96	McKenzie R.L.	28,025	1.19	1.20	1.15	1.16
1	.70	.35	McKinley	11	.45	.50	.50	.50
1	.46½	.06½	McMillan	91,600	.09½	.10½	.06½	.06½
No	2.15	.45	McWatters	44,420	1.60	1.70	1.57	1.67
1	.40	.10	MeVittie	40,050	.14	.21	.12	.19
No	1.50	.85	Mining Corp.	13,250	1.10	1.27	1.08	1.20
No	.21	.07½	Minto Mines	......	.08	.....	.....	.....
1	.16	.05	Moneta	4,700	.06	.06	.05	.06
1	.79	.35	Morris Kirk	8,800	.57	.60	.57	.59
1	.01½	.00½	Murphy	2,000	.00¾	.01	.00¾	.01
No	.04	.01	Newbec	137,300	.02	.03½	.02	.03
1	.04½	.00½	Night-Hawk Penn.	......	.01½	.....	.....	.....
5	2.60	2.00	Nipissing	4,720	2.55	2.50	2.44	2.50
No	45.00	31.00	Noranda	27,235	43.37	45.00	43.62	44.87
No	.32	.16	Nor. Canada	17,530	.23	.32	.24	.27
1	.75	.30	O'Brien	4,800	.48	.55	.50	.50½
1	.10	.03	Osisko	500	.05½	.06½	.06½	.06½
1	.32	.18	Parkhill	17,300	.20½	.20	.18	.18½
1	.04½	.01	Pawnee Kirk	16,000	.02½	.02½	.02	.02½
1	.35	.16	Paymaster	197,065	.33	.35	.31½	.35
1	.88	.40	Pend Oreille	28,945	.77	.88	.73	.80
1	.92	.55	Perron Gold	32,980	.88	.90	.88	.89
1	.09½	.01½	Peterson Cobalt	15,800	.04½	.04½	.03½	.03½
1	3.52	2.10	Pickle Crow	41,796	3.40	3.52	3.35	3.36
1	12.25	9.00	Pioneer Gold B.C.	4,615	9.80	10.10	9.70	9.95
1	.06	.03	Porcupine Crown	18,500	.04	.04½	.03½	.03½
1	2.05	1.35	Premier Gold	7,025	1.78	1.80	1.70	1.75
1	.03	.01	Preston E. Dome	2,000	.01½	.01½	.01½	.01½
No	3.35	1.25	Prospectors Air's.	1,100	2.76	2.75	2.60	2.70
1	.95	.09½	Quebec Gold	14,400	.86	.86	.83	.85
No	.15	.02½	Quemont	1,000	.06	.07	.06	.07
1	.98	.55	Read Authier	6,750	.93	.93	.90	.92
No	.43	.25	Red Lake	15,250	.38	.39½	.37	.38½
1	1.67	.73	Reno Gold	6,300	.97	.97	.94	.95
1	903	901	Pre tos E, Dom	2 000	.01-	901½	.01-	901-
1	.02½	.00½	Ritchie	5,000	.00½	.01½	.01	.01
1	.10½	.02	Robb Montbray	640,300	.05½	.08½	.05½	.06½
1	.10½	.02½	Roche Long Lac	6,000	.04½	.05	.04½	.04½
1	5.20	2.00	San Antonio	10,050	3.05	3.06	2.97	.97
50c	1.25	.54	Sheep Creek	3,700	.75	.75	.73	.75
1	1.23	.45	Sherritt Gordon	203,204	.93	.123	.92	1.07
1	3.29	2.40	Siscoe	18,037	2.66	2.70	2.60	2.60
1	5.10	3.30	South Amer. Gold	......	5.00	.....	.....	.....
No	.15	.02	South Tiblemont	108,000	.02½	.03½	.02½	.03½
No	.32	.13½	Stadacona	250,200	.16	.16	.14½	.15
1	.39	.14½	St. Anthony	7,100	.18	.18	.17	.18
No	3.15	1.25	Sudbury Basin	68,185	2.55	3.15	2.54	2.95
1	.11	.03	Sudbury Contact	29,600	.05½	.08½	.06	.07
1	.09½	.03	Sudbury Mines	232,000	.09½	.09½	.05½	.05½
1	.89	.35	Sullivan Cons.	23,614	.73	.74½	.71	.72
1	2.70	2.00	Sylvanite	8,390	2.35	2.40	2.32	2.34
1	.67	.25	Tashota	7,250	.35	.35	.31	.34
1	4.70	3.67	Teck Hughes	12,728	4.45	4.49	4.37	4.44
1	.03	.00½	Timiskaming	41,200	.02½	.02½	.02	.02½
1	1.45	1.00	Toburn Gold	1,060	1.10	1.15	1.08	1.15
1	.30½	.10	Towagmac	9,162	.09	.25	.20	.23½
1	.45	.10	Treadwell	2,400	.20	.45	.30	.44½
No	1.33	.80	Ventures	183,350	1.39	1.53	1.35	0.46
No	1.10	.45	Waite Amulet	35,021	.82	1.10	.83	.95
50c	.24½	.07	Wayside	43,500	.16½	.18	.15½	.15½
No	.10½	.01½	White Eagle	119,300	.03½	.04½	.03½	.04
1	.07	.03	Wiltsey Coughlan	34,450	.03½	.05½	.03½	.04
1	.07½	.03½	Wood Kirkland	7,500	.04½	.04½	.04½	.04½
No	9.90	6.90	Wright-Hargreaves	5,495	7.65	7.90	7.50	7.80
No	.85	.26	Ymir Yankee	2,300	.35	.39	.32	.39
			OIL STOCKS					
No	.26	.14½	Acme Gas & Oil.	6,400	.18½	.19	.17	.17
1	1.09	.40	Ajax	2,350	.55	.55	.52	.54
No	.85	.49	Calgary & Ed.	2,855	.72	.74	.65	.72
1	.08	.04	Calmont	1,800	.06	.06	.05	.05
No	.05½	.03	Common Pete	1,000	.04	.04	.04	.04
No	.39	.15	Dalhousie	6,700	.32	.35	.30	.33
No	.12	.04	East Crest	3,404	.05½	.06½	.06	.06½
No	.50	.08	Foothills	9,605	.20	.50	.28	.50
No	.15	.10½	High Sarcee	......	.14½	.....	 x	.....
No	.80	.42	Home	4,345	.65	.66	.60	.64
1	.14	.04½	Homestead O. & G.	1,000	.04½	.05	.05	.05
No	.13½	.06	Lowery	......	.07½	.....	.....	.....
No	.27	.14	Merland	......	.14	.....	.....	.....
5	.28	.03	Nordon	132,223	.22	.28	.18	.18
No	.07	.03½	Oil Selections	11,500	.05	.05½	.04½	.05½
No	.06½	.02½	Olga Gas & Oil	158,400	.04	.04½	.03½	.04½
1	.65	.40	Petrol Oil & Gas	......	.60	.....	.....	.....
No	27.00	18.00	Royalite	2,253	25.00	25.25	24.50	24.50
No	.12	.04	South West Pete	......	.04	.....	.....	.....
No	1.41	.55	Texas Can	11,475	1.39	1.40	1.25	1.35

VANCOUVER STOCK EXCHANGE

(Transaction for Week to November 29)

Par. Val.	Range 1935 High	Low	Company	Sales	Close Nov. 23 (or last)	High for week	Low for week	Close Nov. 29
1	.02½	.00½	Alexandria	......	.00½	.....	.....	.....
25c	.01½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.10½	.03½	Beaver Silver	6,000	.04½	.04½	.03½	.04½
25c	.02½	.01	Bluebird	1,000	.01½	.01	.01	.01
No	12.25	4.35	Bralorne	6,870	5.60	5.75	5.35	5.45
1	.08½	.03	Bridge River Cons.	5,000	.03½	.03½	.03½	.03½
50c	.24	.07	B.R.X. Gold	2,600	.07½	.08½	.08	.08½
1	.55	.14	B.C. Nickel	20,300	.25½	.25	.19	.19
1	1.80	.90	B.C. Silver	......	1.80	.....	.....	.....
10	43.00	43.00	Bunker H. Sullivan	......	43.00	.....	.....	.....
50c	.10	.03	Canadian Rand	0,500	.05	.05	.05	.05
1	1.50	.95	Cariboo Gold	5,050	1.24	1.24	1.17	1.17
1	.54	.12	Congress Gold	8,300	.13	.13½	.12	.12
25c	.00½	.00½	Cork Province	......	.00½	.....	.....	.....
1	.09	.03	Cotton Belt	......	.03½	.....	.....	.....
No	.01½	.00½	Dalhousie Mines	......	.01	.....	.....	.....
No	.95	.15½	Dentonia	22,200	.25	.27	.23	.27
No	.06½	.01	Dictator	......	.02	.....	.....	.....
1	.17	.03	Dunwell	1,000	.03½	.03½	.03½	.03½
No	.16½	.04	Fairview Amal.	......	.06½	.....	.....	.....
50c	.46	.25	Fawn Mining	1,000	.34	.37	.35	.37
1	.13	.05	Federal Gold	43,700	.08	.09½	.07½	.09½
1	.30	.12	George Copper	1,000	.30	.30	.30	.30
50c	.08	.03	George Enterprise	3,800	.06	.05½	.05	.05½
1	.01	.00½	Georgia River	......	.00¾	.....	.....	.....
50c	.06½	.01	Glacier Creek	......	.01½	.....	.....	.....
1	.42	.11	Golconda	2,200	.11	.12	.10	.12
50c	.45½	.18	Gold Belt	13,200	.20	.24	.18	.22½
50c	.19	.02½	Gold Mountain	......	.02½	.....	.....	.....
50c	.04½	.01½	Grandview	6,100	.02½	.02½	.02	.02½
No	.24	.01½	Grange Mines	3,000	.02	.01½	.01½	.01½
1	.10	.04½	Grull Wihksne	5,350	.05½	.08	.05	.08
No	.03	.03	Haida Gold	......	.03	.....	.....	.....
25c	11.50	6.40	Hecla	......	9.85	.....	.....	.....
50c	.26	.18	Hedley Amal.	3,000	.19½	.19½	.19	.19
No	.12	.04	Hedley Sterling	......	.06	.....	.....	.....
1	.02	.01	Hercules Cons.	......	.01	.....	.....	.....
No	.12½	.02	Home Gold	......	.02½	.....	.....	.....
1	.01½	.00½	Independence	......	.00½	.....	.....	.....
1	.03	.01	Indian Mines	......	.03	.....	.....	.....
50c	1.07	.68	Island Mountain	4,100	1.00	.98	.94	.94
1	.20	.17	Inter'tl Coal	1,000	.19	.19	.19	.19
50c	.72	.30	Kootenay Belle	2,900	.48	.47	.45	.45
20c	.01½	.00½	Koot. Florence	......	.00½	.....	.....	.....
25c	.01½	.00½	Lakeview	15,000	.00½	.00½	.00½	.00½
10c	.04½	.01	Lucky Jim	31,000	.02½	.01½	.01½	.01½
No	.41	.07	Mak Siccar	5,200	.13	.12	.10½	.10½
50c	.00½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.21	.16	McGillivray Creek	......	.20	.....	.....	.....
10c	.30	.10	Meridian Min.	3,200	.13	.14	.10	.10
No	.24½	.05	Minto Mines	21,050	.08½	.09½	.07½	.08
50c	.12½	.03	Morning Star	39,300	.03½	.03½	.03½	.03½
1	.02	.00½	Morton Woolsey	1,500	.00½	.00½	.00½	.00½
50c	.06½	.02½	National Silver	14,000	.02½	.02½	.02½	.02½
50c	.17	.05	Nicola	62,000	.11½	.15	.12	.15
50c	.16	.04½	Noble Five	35,700	.04½	.04½	.04½	.04½
No	.09½	.01½	Pilot Gold	4,000	.02½	.02½	.01½	.01½
1	12.40	9.10	Pioneer Gold	2,265	9.90	10.10	9.10	10.00
50c	.15	.05	Porter Idaho	1,000	.05	.05	.05	.05
No	.01	.00½	Premier Border	......	.00½	.....	.....	.....
1	.02½	.01½	Quatsino Copper	......	.02½	.....	.....	.....
25c	.17	.05	Quesnelle Quartz	......	.05½	.....	.....	.....
No	.18	.01	Reeves McDonald	......	.08	.....	.....	.....
1	.45	.25	Relief Arlington	5,800	.42	.44	.40	.40
1	1.62	.72	Reno Gold	9,700	.97	.97	.94	.95
1	.04½	.02	Reward Mining	1,000	.02	.02	.02	.02
1	.01½	.00½	Rufus Argenta	......	.00¾	.....	.....	.....
1	.05½	.00½	Ruth Hope	3,000	.00½	.01	.01	.00
1	.62	.16	Sally Mines	4,600	.16½	.19½	.19	.19½
50c	.18	.06	Salmon Gold	5,500	.08	.08	.08	.08
50c	1.18	.55	Sheep Creek	12,100	.76½	.75	.70	.72
1	.05	.02	Silverado	......	.05	.....	.....	.....
25c	.02½	.00½	Silvercrest	11,000	.00½	.00½	.00½	.00½
20c	.12	.01	Silversmith	2,000	.01½	.01½	.01½	.01½
50c	.01½	.00½	Snowflake	5,000	.00½	.00½	.00½	.00½
1	.76	.46	Standard Silver	1,400	.53	.53	.50	.50
10	23.75	11.45	Sunshine	......	19.15	.....	.....	.....
No	.32	.14	Taylor Bridge	10,200	.18½	.19	.17	.17
1	.20½	.08½	Taylor Windfall	......	.12	.....	.....	.....
5	.35	.15	Torie	......	.15	.....	.....	.....
50c	.10	.03	United Empire	2,000	.03	.03	.03	.03
No	.74	.13	Vidette Gold	83,550	.50	.74	.59	.73
No	.06	.00½	Viking Gold	1,000	.00½	.00½	.00½	.00½
No	.07½	.02	Waterloo Gold	......	.02	.....	.....	.....
25c	.01½	.00½	Waverley Tangier	......	.02½	.....	.....	.....
50c	.23½	.07½	Wayside	22,948	.16	.18	.15	.16½
20c	.04	.01	Wellington	19,000	.01½	.01½	.01½	.01½
No	.09½	.02	White Eagle	......	.02	.....	.....	.....
1	.14	.04	Whitewater	9,035	.05	.05½	.05	.05½
No	.83	.26	Ymir Yankee Girl	2,400	.35	.35	.35	.35
			OIL STOCKS					
1	.10½	.04½	Alta. Pac. Cons.	900	.08½	.08	.07½	.08
1	.22	.03	Amalgamated	46,000	.06½	.06½	.03	.03½
1	.04	.00½	Anaconda	4,000	.01½	.03	.02½	.03
No	.05	.00½	Baltac	......	.00½	.....	.....	.....
1	.07½	.05	Brit. Dominion	......	.05	.....	.....	.....
1	.25	.03	Crow's Nest	27,750	.07	.07	.03	.03½
No	.03½	.01	Devenish	......	.03	.....	.....	.....
No	.11	.04	Freehold	7,500	.06½	.07½	.07	.07
No	.04½	.02	Hargal	......	.02	.....	.....	.....
No	.15	.08½	High Sarcee	......	.10	.....	.....	.....
No	.01½	.00½	Madison	12,000	.00½	.01	.00½	.00½
No	.17	.07	Marjon Oil	9,700	.11	.13	.11	.12
No	.05	.02	McD. Segur Ex.	3,200	.03½	.05	.04½	.05
1	.50	.30	McLeod	......	.50	.....	.....	.....
No	.14½	.09	Mercury	13,200	.13	.13½	.12½	.13½
No	.14	.07	Mill City Pete	......	.08½	.....	.....	.....
1	.38	.18	Model Oil	30,000	.27½	.30	.21	.23
No	.06½	.03½	Okalta	500	.04	.04½	.04½	.04½
No	.10½	.03	Pacalta Oil	23,400	.06½	.07½	.06	.07
1	1.17	.24½	Ranchmen's	10,320	.74	.80	.66	.80
No	.01	.01	Richfield	......	.01	.....	.....	.....
1	.28	.15	Spooner	100	.18	.18	.18	.18
No	.10	.03	United	2,600	.06½	.07	.05½	.05½
No	.14	.04	Vanalta	28,300	.05½	.06½	.05	.05
1	.05	.04	Wellington Oil	......	.05	.....	.....	.....

Montreal, Toronto and Curb Markets (Cont'd)

Range 1935 High	Low	Divd. Rate $	Y'ld in %		Sales	Close Nov. 25 or last	High	Low	Close
6½	2¾	.	...	West. C. Flour.	120	6	6½	5¾	6½
52	20			Do. pref.	10	42	42	42	42
47	32	2	4.2	West. Grocers	7	45½	47	46	46
106	95	7	6.6	Do. pref.	12	106	108	105	106
120	120	7	5.8	W. Koot. Pr. pf.	....	120	..	..	..
17	13½	60c	3.7	Weston Ltd.	5920	14¾	16¾	15	15¾
115	108	7	6.2	Do. pref.	....	114	..	..	..
8¾	1½		...	Whittall Can.	....	8½	..	..	..
113	75	6.50	5.7	Do. pref.	25	113	113	113	113
3	1	.	...	Windsor Hotel	....	1	..	..	..
8	3	.	...	Do. pref.	20	4	3	3	3
3.25	.90	.	...	Winnipeg Elec.	700	3.00	3.00	2.50	2.50
14½	4	.	...	Do. pref.	122	13	14½	13	13
30	20½	.	...	Wood, A. & J. p	....	25	..	..	..
70	45	.	...	Woods Mfg. pf.	30	50	53	51	51
				Z					
5½	2½	.	...	Zimmerknit, c.	....	2¾	..	..	..
85	63½	.	...	Do. pref.	....	63½	..	..	..

‡ Quotations for 1934. No sales recorded in 1935 to date.
§ Quotations for 1933. b New York Quotations.
† Quotations for 1931. ▲ On account of arrears.

Corporation Bonds

(Furnished by Toronto Bond Traders Assoc.)

December 3, 1935

Public Utility Issues:	Int. Rate %	Due	Bid Dec. 3	Asked	Bid Nov. 26
‡Avalon Tel.	5½	'48	100½	...	100½
Beauharnois	5½	'73	91	94	90½
Beauharnois	5	'73	34½	36½	36
*Bell T'phone	5	'55	113	115½	113
*Do.	5	'57	115	117½	115
†B. C. Power	5	'60	102½	105	102½
†Do.	5½	'60	104	107	104½
†B. C. T'phone	5	'60	106	109	106½
†Calgary Pwr.	5	'60	97½	100	97½
Do.	5	'64	94½	97½	94½
†Can. Nor. Pr.	5	'53	101½	104	101½
†Cedars Rapids.	5	'53	113	115	113
Dom. Gas	6½	'45	84	87	83½
§Duke-Price Pr.	6	'66	103	105	103
*Gatineau Pwr.	5	'56	88½	89	87
*Do., A	6	'41	75½	78½	75½
*Do., B	6	'41	75	78	75
*Int'l. Hydro	6	'44	47	49½	47
†Maclaren-Que.	5½	'61	70½	73½	71
Do.	5½	'64	70	73	70
*Manitoba Pwr.	5½	'51	70	73	68½
†Mtl. Island Pr.	5½	'57	105	108	104½
†Montreal Pwr.	5	'51	106½	108½	107½
†Montr'l Tram.	5	'55	84½	87	85
†Do.	5	'41	102½	105	102½
Nat'l L. & P.	6	'49	91½	94½	91
†N. S. L. & Pr.	5	'58	102½	105	102½
†Ottawa Light.	5	'57	105½	108	105½
†Ottawa Val. Pr.	5½	'70	86	89	87
†Power Corp.	4½	'50	88½	91½	87½
†Prov. Lt. & P.	5	'46	106	...	106
*Quebec Pwr.	5	'68	105	108	105
†Shawinigan	4½	'70	100	102	100
†Do.	5	'70	105	107½	104½
†S. Canada Pr.	5	'55	105	108	104½
†United Secs.	5½	'52	80	83	79½
†W. Koot. Pwr.	5	'56	106	108	106
†Western Pwr.	5	'49	105	108	105
*Winnipeg Elec.	5	'35	99	101	99
*Do.	6	'54	71½	74	68
Industrial & Realty Issues:					
Abitibi Pwr.	5	'53	33½	35½	33
†Alta. P. Grain.	6	'46	94	97	93
Brand.-Hend.	6	'36	98	...	98
B. A. Oil	5	'45	105½	108	106
Do.	4	'45	101½	104	102
†B. C. P. & P.	5½	'48	69	...	66½
Burns & Co.	6	'50	71	74	69
Can. Biscuit	6½	'46	16½	19½	15½
Canada Bread	6	'41	106	...	106
†Can. Cement	5½	'47	104	106	104
†Can. Paper	5	'45	101½	...	101½
‡Can. Ss. Lines.	5	'43	101½	...	101½
Do.	6	'41	42½	45½	42
†Can. Canners.	6	'50	104½	107	104½
Can. C. Felt	6	'40	103½	...	103½
C. P. R.	4½	'44	97	100	96½
Do.	4	'49	96	98½	96
Can. Rail. & H.	6½	'31	39	42	41
†Can. Vickers	6	'47	80	83	79½
Cons. Paper	5½	'61	22½	25	20
†Dominion Tar	6	'49	101	104	101
†Donnacona P.	5½	'48	43	46	44
†East. Dairies	6	'49	88½	91½	88½
Eaton Realty	5	'49	100	102	100
†Fam. Players	6	'48	102½	104½	102½
†Do.	6½	'48	97	100	97
†Federal Grain	6	'49	97	100	97
Fraser Cos.●	6	'50	78	81	75½
▲Do.	6	'50	72½	...	70
†G. Steel Wares.	6	'52	97½	100	97
Gt. Lakes Pap.	6	'50	37½	40½	37
†Gypsum, Lime.	5½	'48	91½	94½	92½
Ham. Cottons.	5½	'48	101	104	100½
*Ham. By-Prod.	5	'50	97½	99½	97½
*Hinde & Dauch	5½	'48	102	105	102
†I. P. & P. Nfld.	5	'68	101½	104	101
Int. City Bak.	5½	'48	101	104	100½
Inter-City West. Bakeries	6½	'50	27	30	26½
Kingston Elev.	6	'50	91	94	91
Lake St. John P. & Pa.	6½	'47	79	82	75
†Lon. Can. Inv.	4½	'48	86	89	86
London Realty.	6	'50	89	92	88½
†Massey-Harris	5	'47	88	91	87½
McColl-Front.	6	'49	104	106	104
Metropolitan B.	7	'44	101	...	101
M. & O. Paper.	6	'45	23	25½	20
‡Mont. Cottons	5	'47	101	...	101
Mtl. Dry Docks	6	'48	68	71	67½
Nor. Ont. Bldg.	6½	'39	94	97	94
Price Bros.	6	'43	87	90	88
*Prov. Paper	5½	'47	101½	104	101½
Queen's Hotel.	6	'47	85	90	85
*Reliance Gr.	6	'48	101	104	101
Richmond Bay.	6½	'47	95	...	95
‡Riordon Pulp	6	'42	104	...	104
†Rolland Paper.	5½	'48	104	106	104
St. Law. Flour.	6	'41	103	...	103
†Simpsons Ltd.	6	'49	103½	105½	103
Do.	5½	'49	101½	103½	101½
†Smith, How'd.	5½	'53	104½	106½	104
‡Steel of Can.	6	'40	111½	...	111½
United Amuse.	6	'42	99	...	99
United Corps.	5	'53	91	94	91
United Grain	5	'48	97½	100	97
Do.	5½	'49	99½	102	99
‡Wabasso Cott.	6	'47	102½	...	102½
Do.	7	'42	104½	...	104½
Western Grain.	6	'49	78½	81½	76½
Woods Mfg.	6	'43	101	...	101
Zimmerknit	6	'51	100	...	100

‡Payable in Canada or U. K. †Payable in Can., U. S. or U. K. §Payable in U. S. only. *Payable in Can. or U. S. ●Unstamped. ▲Stamped.

Dividends

	This payment	Date payable	Date of record
Agnew-Surpass pf.	$1.75	Jan. 2	Dec. 16
Acme Glove, pfd.	81½c	Dec. 14	Nov. 30
Assoc. Brew.	25c	Dec. 31	Dec. 15
Do., pref.	$1.75	Jan. 1	Dec. 15
Bk. of Canada	1.12½c	Jan. 2	Nov. 30
Belding-Cort.	$1	Jan. 2	Dec. 14
Do., pref.	$1.75	Jan. 2	Dec. 14
Bell Telephone	$1.50	Jan. 15	Dec. 23
Brazilian Tr., pf.	$1.50	Jan. 2	Dec. 14
B. C. Power, A	37c	Jan. 15	Dec. 31
Bruck S. Mills	30c	Jan. 15	Dec. 16
Bk. of N. Scotia	$3	Jan. 2	Dec. 16
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Biltmore Hats, pf.	$1.75	Dec. 14	Nov. 15
Bulolo Gold Dr.‡	$1.40	Dec. 10	Nov. 12
Caribou Quartz	2½c	Jan. 1	Dec. 21
Cons. Div. Std. Sec. pfd.	25c	Dec. 15	Dec. 1
Canada Bud. c.	20c	Dec. 20	Dec. 2
Can. Cottons	$1	Jan. 2	Dec. 13
Do., pref.	$1.50	Jan. 2	Dec. 13
Can. Gen. Elec., c.	75c	Jan. 1	Dec. 14
Can. Malting	37½c	Dec. 16	Nov. 30
Do., extra	50c	Dec. 16	Nov. 30
Can. Perm. Mtge.	$2	Jan. 2	Dec. 14
Confederation Life	$1	Dec. 31	Dec. 25
Consumers Gas	$2.50	Jan. 2	Dec. 14
Can. North. Pr.	30c	Jan. 25	Dec. 31
Do., pref.	$1.75	Jan. 15	Dec. 31
Can. Canners, 1st p.	$1.50	Jan. 2	Dec. 14
Can. Celanese, pf.	$1.75	Dec. 31	Dec. 17
Can. For. Inv.	40c	Jan. 1	Dec. 15
Do., pref.	$2	Jan. 1	Dec. 15
Can. Wire Box, A	●25c	Jan. 2	Dec. 16
Dom. Glass	$1.25	Jan. 2	Dec. 16
Do., pref.	$1.75	Jan. 2	Dec. 16
Dom. Textile	$1.25	Jan. 2	Dec. 16
Do., pref.	$1.75	Jan. 15	Dec. 31
Dome Mines	50c	Jan. 20	Dec. 31
Dominion Bank	$2.50	Jan. 2	Dec. 20
Falconbridge N.	7½c	Dec. 21	Dec. 5
East. Steel, pf.	$1.75	Jan. 1	Dec. 16
Fanny Farmer	12½c	Dec. 31	Dec. 16
Gachin Gold	25c	Dec. 31	Dec. 15
Howey Gold	2c	Dec. 14	Nov. 14
Hudson B. Mining	50c	Dec. 16	Nov. 29
Ham. Un. Theat., p.	$1	Dec. 31	Nov. 30
Hightower Oil	5c	Nov. 30	Nov. 26
Do., pref.	5c	Nov. 30	Nov. 26
Hinde & Dauch	12½c	Dec. 21	Dec. 14
Imp. Tobacco, ord.	8½c	Dec. 31	Dec. 13
Int. Nickel, pf.	$1.75	Feb. 1	Jan. 2
Inter. Nickel c.	25c	Dec. 31	Dec. 2
Inter. Mining	15c	Dec. 20	Nov. 29
Do., extra	5c	Dec. 20	Nov. 29
Kelvinator, pfd.	$1.75	Nov. 15	Nov. 5
Lake Shore M.	50c	Dec. 16	Dec. 2
Do., extra	50c	Dec. 16	Dec. 2
Little L. Lac Gold	10c	Jan. 20	Dec. 19
L. of W. Mill., p.	●$1.75	Dec. 16	Nov. 30
Louisiana Land, c.	10c	Dec. 16	Dec. 2
Marcus Loew's, pf.	*$1.75	Dec. 21	Dec. 10
Mitchell, J. S., pfd.	$1.75	Jan. 2	Dec. 16
Mtl. C. & D. Bk.	$3	Jan. 2	Dec. 14
Do., bonus	$1	Jan. 2	Dec. 14
Mtl. Loan & Mtge.	62½%	Dec. 16	Nov. 30
McLennan, McFeeley c. A	10c	Dec. 30	Dec. 23
Do., c. B	10c	Dec. 30	Dec. 23
McWatters G., M.	5c	Dec. 18	Dec. 4
Monarch Knit pf.	$1.75	Jan. 2	Dec. 14
Melchers, A	●5c	Dec. 16	Dec. 2
Mtl. Cottons, pf.	$1.75	Dec. 15	Nov. 30
Nat. Breweries	40c	Jan. 2	Dec. 16
Do., pref.	43c	Jan. 2	Dec. 16
North Star Oil, pf.	17½c	Dec. 20	Dec. 6
Nat. Biscuit	40c	Jan. 15	Dec. 13
Pioneer Gold	20c	Jan. 2	Dec. 2
Ont. Loan & Deb.	$1.50	Jan. 2	Dec. 16
Ont. Silknit, pf.	$1.75	Dec. 15	Dec. 2
Pressed Metals	25c	Jan. 2	Dec. 16
Perfect Circle	50c	Jan. 1	Dec. 17
Riverside S. Mills	25c	Jan. 2	Dec. 14
Do., on arrears	25c	Jan. 2	Dec. 14
Reliance Grain, pf.	$1.62½	Dec. 14	Nov. 30
Reno Gold	3c	Jan. 2	Dec. 10
Std. Silver & Lead	1c.	Dec. 20	Dec. 1
Sylvanite Gold	5c	Dec. 31	Nov. 23
Siscoe Gold	5c	Dec. 16	Nov. 30
South. Can. Pr. pf.	$1.50	Jan. 15	Dec. 20
Supertest Pete. c. & ord.	50c	Jan. 2	Dec. 13
Do., A pref.	$3.50	Jan. 2	Dec. 13
Do., B pref.	75c	Jan. 2	Dec. 13
San Antonio	7c	Dec. 20	Dec. 5
Sher. Williams, pf.	■$1.75	Jan. 2	Dec. 15
Trans. Can. Shs., A	0.184	Dec. 1	Nov. 15
Teck Hughes	10c	Jan. 2	Dec. 10
Tor. Elevators pf.	$1.75	Jan. 15	Jan. 2
Walker, H., pfd.	25c	Dec. 16	Nov. 22
W.-Hargreaves	10c	Jan. 2	Dec. 10
Do., extra	5c	Jan. 2	Dec. 10
Zellers, pfd.‡	$1.50	Dec. 15	Nov. 30

‡Interim.
▲For payments due July 1 and Oct. 1, 1934.
■For quarter ended Feb. 28, 1934.
●On arrears.
*For quarter ended Sept. 30, 1929.

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

December 3, 1935

Industrial Stocks:	Bid	Asked
Acadia Sugar, c.	3.00	...
Do., pfd.	4.80	5.15
Acme Farmers Dairy, 7% p.	37.00	42.00
Andian National	49.50	50.50
B. C. Pulp & Paper, com.	1.00	...
Burns & Co., A	6.65	7.10
Do., B	3.50	4.00
Canada Starch, com.	17.00	...
Do., 7% pfd.	86.50	...
Canada Tea, pfd.	32.00	...
Can. Tube, 1st pfd.	40.00	...
Can. Wire & Cable, pfd.	82.00	...
Can. Industries, A, com.	205.00	...
Do., B, com.	205.00	210.00
Do., 7% pfd.	165.00	170.00
Can. Paperboard, pfd. bonus	4.00	6.00
Can. Westinghouse	61.00	...
Chase, A. W., pfd. bonus	25.00	...
Claude Neon Adv. Units	4.00	6.00
Dom. F. & St., com. (New)	28.00	...
Do., 6% pfd. (New)	87.00	...
Donnacona Paper, A	2.50	4.00
Dunlop Tires, 7% pfd.	58.00	64.00
Eastern Dairies, 7% pfd.	15.50	...
Edmonton C. Dairy, pfd.	55.50	...
Federal Grain, com.	1.25	2.00
Do., 6½% pfd.	40.00	...
Goderich Elev. & Transit	6.00	7.00
Greening Wire, 7% pfd.	101.50	103.00
Guelph Carpet, 6½% pfd.	99.50	101.00
Do., com.	14.50	15.50
Highland Dairy, com.	2.75	3.50
Do., 7% pfd.	71.00	80.00
Huether Brew. pfd. bonus	2.00	2.75
Mercury Mills, 6% pfd.	5.00	6.00
Morrow Screw, 7% pfd.	93.00	...
New Meth. Laund., p. bonus	72.50	...
Provincial Paper, pfd.	97.75	98.50
Reliance Grain, c.	4.50	6.00
Do., 6½% pfd.	81.00	85.00
Rob. Cons. Cone	10.25	11.00
Ruddy, E. L., pfd.	30.25	...
Silverwood's Dairies, pfd.	39.00	...
Stand. Fuel, pfd. bonus	105.00	107.00
Supert. Petroleum, B, pfd.	27.50	29.25
Toronto Carpet, pfd.	30.00	37.00
United Steel, A, pfd.	4.75	5.50
West. Grain, 6½% pfd. bonus	11.00	13.00
Willards Chocolates, pfd.	8.00	...
Trust & Loan Stocks:		
Chartered Trust	75.00	80.00
London & Western Trust	34.50	37.00
Premier Trust	87.00	92.50
Sterling Trust	30.00	35.00
Traders Finance, B, pfd.	64.00	...
Trusts & Guarantee	30.00	...
Sherbrooke Trust	110.00	...
Insurance Stocks:		
British America	35.50	38.00
Canada Life	500.00	510.00
Canadian Fire	76.00	78.50
Canadian Ins. Shares, com.	9.75	12.00
Confed. Life 20% pfd.	113.00	118.00
Continental Life 20% pfd.	35.00	39.00
Crown Life	105.00%	...
Dominion Fire	110.00	121.00
Dominion Life, 50% pd.	260.00	300.00
Dom. of Can. Gen.	79.00	84.00
Empire Life, 25% pd.	5.75	8.00
Excelsior Life, 30% pd.	69.00	71.00
Federal Fire, 25% pd.	34.00	37.00
Fidelity Ins. of Can.	47.00	53.00
Great West Life	388.00	397.00
Guar. of N. A., fully pd.	245.00	...
Halifax Fire Ins.	21.00	22.50
Imperial Life	320.00	...
Manufacturers Life	248.00	256.00
Monarch Life, 10% pd.	17.50	20.00
National Life, 25% pd.	53.00	...
Sovereign Life, 25% pd.	13.50	16.00
Sun Life	440.00	455.00
Toronto General	4.00	5.00
Western Assurance, com.	36.00	39.00
Do., pfd.	38.50	41.00
Theatre Stocks:		
Allens, Beach, pfd.	59.00	...
Do., Calgary, com.	7.50	9.00
Do., Kingston, pfd.	52.00	...
Do., Parkdale, pfd.	42.00	45.00
Do., Toronto, 7% p. bon. c.	27.00	31.00
Eastern Theatres, com.	5.00	8.00
Do., pfd.	81.00	85.00
Loew's London, 7% pfd.	1.90	2.10
Mansfield Theatre, pfd.	25.00	27.00
Paramount, Kitchener, pfd.	30.00	35.00
Do., Oshawa, pfd.	59.00	...
United Amusement, A	12.50	14.50
Do., B	11.00	13.00
Investment Trust Shares:		
Can. Gen. Invest.	7.10	7.30
Can. Investors	7.00	8.00
Can. Int. Tr. Units	29.00	...
Cons. Div. Std. Sec. Units	10.00	11.50
Debenture & Sec. 5% pfd.	35.00	...
Dom. Scottish Invest. Units	25.00	26.75
Foreign Power Sec., pfd.	6.00	8.50
Invest. Foundation Units	41.50	...
Sec. Holding Corp. Units	11.50	13.00
United Corpns., A	22.25	23.50
Do., B	8.00	8.75
Power Issues:		
Calgary Power, pfd.	80.50	83.00
Can. Light & Power, com.	21.00	24.00
Can. Public Service, pfd.	28.00	...
Can. West. Nat. Gas, pfd.	90.00	92.00
Do., com.	22.00	...
Great Lakes Pwr., pfd.	70.00	...
N. B. Telephone, com.	10.50	11.50
Nor. Ont. Power, pfd.	98.50	100.00
Nova Scotia L&P, pfd.	99.00	101.00

Recent London Quotations:

British Columbia Tele., pfd.	$103
Brewers & Distillers	6s. 3d.
Canada Company	7s. 6d.
Canadian & Foreign Securities	4s.
Canadian Collier, $1 c.	1½d.
Do., pref., $10	4½d.
Canada N. W. Land	10s.
Canadian Western Lumber	2s.
Third Can. Gen. Inv.	6s. 6d.
Hudson's Bay	20s. 7½d.
Do., pref.	103s. 9d.

Unlisted Mines

December 3, 1935

	Bid	Asked
Ascot	.26	.28
Arntfield Syndicate	1.00	1.10
Athona (Gt. B. L.)	.39	.42
Athabaska Portals	..	.21
Bailor	..	.01
Bidgood Kirkland	.16	.18
Bankfield Gold	.30	.32
Bathurst	.00½	.01½
Bosquet Gold	.03	.04
Can. Pandora	.06	.07
Casey Summit	.11	.14
Canusa Mining	.04	.05
Casey Contact	.03	.04
Central Porcupine	.17	.19
Cons. Chib. Free	..	.68
Cons. Chib. Pool	..	.66
Columario Cons.	.00½	.01½
Dunlop Cons.	..	.01
El Bonanza	.12½	.13½
Forty-four Gold	3.50	4.50
Glenora Gold	.05½	.06½
Galatea	.08½	.08½
Goldside	.02½	.03½
Gold Eagle	.25	.27
Greenlaw	.03½	.04½
Hislop Gold Free	..	.06
Hudson Patricia	.07	.08
Jellicoe	.05	..
Johnson Nipigon	.01½	.02½
Kirk. Lake Belt	.05	.07
Knee Lake	.26	..
Lafayette L. Lac	.03½	.04
La Palme	.38	.41
Long Lac Lagoon	.03	.04
Lamaque Gold	2.45	2.55
Leitch Gold	.30	.33
MacL. Cockshutt	.03½	.04½
Magnet Lake	.02½	.03½
Matachewan Can.	.13	.15
McCarthy Webb	.06	.07
Mosher	.01½	.02½
Murmac	.12	.15
North Shores	.01½	.02½
Oklend	.23	.25
O'Leary	.08	.09
Omega	.55	.57
Opemiska	1.73	2.00
Pamour Porc.	3.15	3.25
Rice Lake	.01½	.02½
Shawkey	.63	.65
Sladen	.20	.22
Smelter Gold	.04½	.05½
Smith Cobalt	.07	.10
Springer	..	.08
Straw L. Beach	.06	.08
Sturgeon R. Gold	.83	.86
Thom.-Cadillac	.03	.05
Wells Long Lac	..	.06
Wingold	.03	.04
Young Davidson	.18	.20
Wendigo	.12	.14

Winnipeg Stocks

(Transactions from Nov. 25 to Nov. 30)

	Sales	High for period	Low for period	Close Nov. 30
Cres. Cream. p.	1	.29	.29	.29
Canadian Rand	500	.05	.05	.05
Flin Flon	2,550	.23	.21	.22½
Gold Lake	2,000	.31	.28	.30
Federal Grain, p.	25	.43	.43	.43
Knee Lake	2,800	.25	.25	.25
Island Lake	3,500	.02½	.02½	.02½
Omega	100	.58	.58	.58
Pelissiers, com.	210	.50	.50	.50
Ore Grande	2,000	.03½	.03	.03
United Grain	28	.12½	.11½	.11½
Wingold	5,428	.03½	.03	.03½
West. Breweries	550	1.85	1.85	1.85
Wylie Dom.	9,100	.20	.16	.20
West. Grain, pf.	30	.10½	.10½	.10½

Stocks Not Traded in During Week*

	Bid	Ask.
Beaver Fire Ins.	..	100
Beaver Lumber, c.	..	3
Do., pref.	..	68
City Dairy, A	..	10
Home Invest.	25	..
Northern Trust	8	..
Traders Bldg.	65	..

*Stocks more active on other exchanges not included.

Week In Wheat

World Exports Reduced

* * * *

Great Lakes Movements

The wheat market has been decidedly quiet during the past week, with a limited volume of business for export.

In spite of the way in which shipments from the southern hemisphere are falling off, Great Britain and the continent seem in no haste to expedite shipments from this country. North America, with slightly more than 4 million bushels, supplied half of last week's world shipments, which at under 8 million bushels were extremely low.

To bring them up to the comparatively moderate total of 10 million bushels would have required 6 million bushels from Canada.

There is still a feeling that business may reach that rate, but it is slow in developing.

In spite of the congestion of wheat in eastern ports, large quantities of Wheat Board holdings are booked to be shipped from the head of the lakes during the closing days of navigation.

There is a tendency to question the policy of the old board in putting large quantities in storage in U. S. positions, and using American vessels for winter storage on a great deal of wheat which from all appearances will not be exported during the winter months.

The new personnel of the board is assuming office at a moment when the lake movement is about to stop for the season.

Visible Figures Decline

AN ANTICIPATED steady decline in the figures of the Canadian visible wheat supply is expected to have an encouraging effect on the international structure.

So large a part of the western wheat crop has now been delivered that it is extremely unlikely deliveries in any week from now on will equal the actual disappearance of wheat from supplies.

The closing of navigation on the Great Lakes will temporarily check the downward process of the visible figures. Wheat loaded at Fort William or Port Arthur disappears temporarily from a visible into an invisible position, to reappear again in the visible when it arrives at an eastern port.

For a brief period, therefore, after grain has ceased to be shipped from the head of the lakes and while it is still arriving in the east, the visible figures are increased to the extent of the volume of wheat which has been in transit on the lakes.

The visible this year has been running higher than during either of the past two years, but the downward movement has begun earlier this year. Before long the figures should be below those of last year by a steadily increasing margin.

Toward spring, visible figures are likely to be substantially decreased by withdrawals from elevators of grain required for seed.

An unusually large percentage of farmers found this year that their wheat was unsuitable to retain for seed. They have consequently been delivering their whole supply, with the intention of purchasing seed grain later in the season.

* * *

Texas Rains Prove Bearish

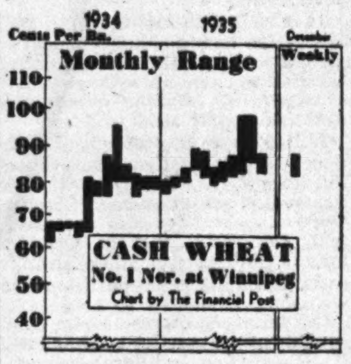
REPORTS of fairly heavy precipitation in Texas and parts of Kansas have to some extent relieved fears that the United States winter wheat crop might be inadequately supplied with moisture.

There has consequently been some bearish effect on wheat prices at Chicago and other markets.

In almost every year a considerable part of the winter wheat acreage has to be abandoned because of winter killing. But the actual damage is usually done in late winter or in early spring.

The crop can survive a good deal of cold weather, and even lack of snow cover during severe spells, but alternate thawing and freezing, starting it on premature and quickly checked growth in the spring, is capable of a great deal of damage. Consequently it will not be for some months that the market can form an opinion with respect to winter wheat. At the moment the market is undoubtedly discounting a reasonably good crop, which would relieve the United States from necessity of importing wheat during 1936-37.

But if any probability develops of another short crop and the need of continued imports a highly bullish condition would be created in the market.



Low Grades For Export

DEMAND for lower grade wheat, down to No. 6, for shipment to Buffalo has been puzzling some observers.

To some extent this is required for milling in bond, for while American mills are using high-grade Canadian wheat for their domestic trade, they are making flour for their export trade, largely to Cuba, from lower grades. The Continental demand, from the low-duty countries of northern Europe, has also been largely for lower grade wheat that could be laid down at prices corresponding closely with those in effect for Argentine wheat.

* * *

Australia's Crop

THE government of Australia has estimated that country's wheat crop for the year at 140 million bushels, an increase of about 5 million bushels over estimates recently prevailing.

It represents a yield of almost 12 bushels per acre on the 12 million acres seeded this year, which for Australia is reasonably large. Yields there are characteristically low.

For a number of years, when Australian wheat acreage was at its height, annual yields averaged close to 200 million bushels, but for several years acreage has been steadily declining from the peak figure of 18 million acres. Australian farmers for a while were enabled to stand low international prices for wheat, because of the depreciation in the Australian pound. But reports indicate that during the past two or three years their costs have been going up as the currency depreciation has been reflected in higher prices for everything they have to buy.

Present troubles in China are causing a great deal of concern in Australia, for while it was at first supposed that China, because of low wheat production this year, might require a lot of imported wheat, her ability to pay for imports now begins to be doubted.

* * *

Price Adjustments

THE passing of the November future and the transfer of the market to a December basis tended to establish a slightly lower quotation. This left some grades of wheat at a slight premium over the future for delivery in time for loading before the close of navigation.

Revision of U.K. Agreement May Hinge on Wheat Price

Food Research Observer Foresees Possible Demand For Re-definition of Prices Based on Type, Variety and Quality of Grain

Canada, as a signatory to the Empire preference agreements, committed herself to offer wheat in the United Kingdom at prices not exceeding the world level, and in quantities sufficient to supply the requirements of the United Kingdom. Protests have been made in Great Britain in recent years that Canadian wheat prices have been held artificially above the world price.

Alonzo E. Taylor, of the Food Research Institute of Sanford University, California, comments on the situation which, probably more than any other factor, has been the subject of controversy and recrimination among buyers and sellers of wheat in the Empire market.

Canada and the Argentine

During the first three of the last five years, says Mr. Taylor, the price of Argentine wheat was not continuously below the price of Canadian wheat. But during the last two years the opposite has been true, and Canadian wheat has remained above the Argentine level. The controversial point arises out of the fact that wheat prices at Winnipeg have been pegged and the question arises whether wheat sold in the United Kingdom on the basis of the Winnipeg price can therefore be regarded as sold at the "world price."

For several years, Mr. Taylor claims, the policy of the Conservative government of Canada was to support the price of wheat. With the Liberal government in power, Mr. Taylor presumes this policy will not be changed, but he declares the people of the United Kingdom will be surprised if the Liberal government maintains an artificial price, enforcing in England a price higher than that of other imported wheats.

The preference agreements are due for revision. If before the date of the revision Winnipeg prices decline so as to permit resumption of export, as in earlier years, the present agreement of Canada with England might be reaffirmed without change, Mr. Taylor believes. If, however, the price at Winnipeg should remain close to or above the price at Liverpool, Britain may seek a revision of the agreement in order that her rights may be more accurately defined.

Revision is Seen

Such revision would need to include a redefinition of prices and price ranges based on type, variety and quality of wheat, Mr. Taylor contends. It ought to be possible, he says, to set up a world price based on technical considerations of quality, consumers' choices, and producers' gradings. But it will hardly be possible to set up a reproducible definition so long as trade considerations based on fair average qualities dominate the scene in the outstanding importing markets, he concludes.

JAPANESE WHEAT NOW SUFFICIENT FOR OWN NEEDS

Canadian Prospects of Regaining Nipponese Market Dwindle

Prospects for revival of Canadian exports of hard wheat to Japan are growing steadily less favorable.

Canadian wheat has been excluded from the Japanese market by prohibitory tariffs placed on it as the sequel to the Japanese-Canadian trade difficulties of last summer. This factor renders the outlook for revived export wheat trade uncertain at best, so far as Canada and Japan are concerned. Further information, obtained by the far eastern survey of the American Council, Institute of Pacific Relations, indicates that Japan has now reached her goal of self-sufficiency in wheat and therefore has no need to rely on foreign sources of supply.

49 Million Bushels This Year

Independence of foreign wheat imports is assured for Japan this year at least, according to the far eastern survey, since the country's 1935 wheat crop is now estimated to be the largest on record, amounting to more than 49 million bushels.

As the country's annual consumption is estimated at somewhere between 46 and 49 million bushels, it appears that Japan has attained its goal of self-sufficiency in wheat.

During the period 1928-32 inclusive, Japan's annual average wheat harvest was about 32.4 million bushels. In 1932 a five-year plan was inaugurated to increase production by over 15 million bushels. The following year, production reached 41 million bushels, and in 1934, 48 million.

As a part of the scheme, the Japanese rice farmer was encouraged by bounties to raise wheat instead of rice. In addition, in 1932 the import duty on wheat was increased from Y1.50 to Y2.50 per picul.

Flour Exports

Japan's milling industry has developed of late years to a point where it not only supplies domestic demand but exports an increasingly large surplus.

In 1932 wheat imports amounted to over 27.7 million bushels, a slight increase over the 1931 figure, in spite of the fall in the price of rice, which tends to affect flour consumption adversely. Imports of wheat dropped to 18.8 million bushels in 1933 and nearly to 18 million bushels in 1934. During the first half of this year, wheat imports have decreased slightly in quantity, but increased 20 per cent in value.

Canada Affected

One aspect of the Japanese wheat situation has been its reliance upon Canada for the hard variety of wheat used for bread.

Canadian wheat imports made up 22 per cent of the total in 1933 (over 4 million bushels), and 16 per cent in 1934 (nearly 3 million bushels). Since the middle of July, 1935, in view of the Japanese-Canadian trade difficulties, an additional duty of 50 per cent ad valorem on wheat, among other Canadian imports, has been in force.

This tax means that Canadian wheat can no longer be imported and that Japan must fill its needs for that particular variety elsewhere. With a reserve which the milling companies consider adequate for a year, at any rate, the Japanese are manifesting no great concern about the future supply, which it is said may be secured in Manchoukuo, Argentina and the Soviet Union.

Question of Time

It may be that in time Japan will be able to raise the desired variety at home, although Canada's long experience in wheat-growing raises the question of how quickly some of the desired grades may be developed satisfactorily in other parts of the world.

Wheat Prices

(Cash Quotations)

	Aver. for wk. Nov. 23	Previous week
	$	$
At Winnipeg		
No. 1 Man. Hard	0.880	0.860
No. 1 Northern	0.865	0.847
No. 2 Northern	0.849	0.828
No. 3 Northern	0.799	0.774
No. 4 Northern	0.752	0.720
No. 5 Wheat	0.658	0.636
No. 6 Wheat	0.624	0.597
Feed Wheat	0.487	0.460
At Vancouver:		
No. 1 Northern	0.851	0.820
At Toronto:		
Milling Wheat	0.74	0.72

Competitive Export Prices: (November) shipment:

	High	Low
	Week to Nov. 28	
	$	$
No. 1 North. (Vanc.) ..	1.04⅜	1.03⅝
No. 2 North. (Atlan.) ..	1.00⅜	0.98¼
No. 2 North. (Vanc.) ..	0.99	0.99
Argentine Rosafe*	0.86	0.84¼
Do., Barusso*	0.85⅛	0.82⅝
West Australian (Dec.) ..	0.89⅝	0.88⅞
Russian	0.92¾	0.89⅝

*New crop, shipment Jan.-Feb.

New Wheat Board Members Have Difficult Task Ahead In Reducing Grain Surplus

Trade Believes Supply Must be Cut to 100 Million Bushels Before Carryover Position Can be Termed Normal

MURRAY, McIVOR, SHAW, MEMBERS

BY STAFF WRITER

WINNIPEG.—Announcement of a new Wheat Board and a new selling policy by Ottawa is no surprise to the grain trade. This had been expected for weeks and almost hourly when it was learned that the late head of the board, John I. McFarland had left for Ottawa last week.

Hope for Real Selling

The official government statement that the new board would inaugurate a policy of selling until a normal surplus is restored is received with modified satisfaction.

Much will depend upon the amount of selling pressure put behind the new policy. The bulk of the trade contends that Canada's surplus must be reduced to around at least 100 million bushels before the carryover could be considered normal. Frankly they are sceptical whether this can be done without "fire sale" methods this year.

Pool opinion says it can't be done.

Fear Big '36 Crop

Grain men of all shades of opinion fear a bumper crop in both United States and Canada next year. Moisture conditions so far are the best in years. With a Canadian crop of 400 to 500 million bushels in 1936, they state, and a big surplus from previous crops unsold by the next fall, Canada's carryover would quickly rise to unparalleled proportions.

Government Statement

The government statement follows:

"The concentration of surplus stocks of wheat in Canada during the past few years has created an abnormal situation in the world wheat trade.

"Last June this situation was recognized by parliament as not being in the interests of Canada or her wheat producers, and the Dominion government desires to have our surplus restored to a normal basis. To accomplish this the wheat board will seek the good-will and co-operation of the grain and milling trades in all importing countries.

"It is not necessary to have and there will not be any 'fire sale' of Canadian wheat, but it will be for sale at competitive values and will not be held at exorbitant premiums over other wheats."

Salaries and Advisers

As generally expected, James R. Murray heads the new Canadian Wheat Board with George H. McIvor, of Winnipeg, vice-chairman, and Dean A. M. Shaw, Saskatoon, the third member.

The new chairman will receive $18,000 a year, the same as his predecessor. The vice-chairman will be paid $15,000 and Dean Shaw $15,000.

In personnel the new board would seem to give representation to the general grain trade, the pools and the general farmers.

The advisory wheat board of seven farmers, millers and grain men, established by the Bennett government, has been abolished. The cabinet wheat committee consisting of Messrs. W. D. Euler, James Gardiner, Thomas Crerar and C. A. Dunning, will continue in an advisory capacity.

New Chairman

A month ago there was some expectation that the government would appoint a policy board with an expert grain man to be hired by that board. Apparently that plan has been shelved in favor of having the expert head the board. At any rate Mr. Murray is definitely a grain man, having started his career as general manager of United Grain Growers at Winnipeg. Later he became secretary of the Winnipeg Grain Exchange. Since 1930 he has been general manager of the Alberta Pacific Grain Co., a company with which Rt. Hon. R. B. Bennett was long associated.

JAS. R. MURRAY

Vice-chairman

Mr. McIvor has also been identified with the grain trade for many years. After employment with private grain companies, he became one of the assistant sales managers of the Central Selling Agency of the wheat pools in 1925.

In 1927, Mr. McIvor was appointed general sales manager of the Central Agency, a post which he held until John I. McFarland was appointed general manager of the pools in 1930. Mr. McIvor then became Mr. McFarland's assistant and has been closely associated with all stabilization efforts in the wheat market which Mr. McFarland undertook on behalf of the Federal Government.

Dean Shaw

Dean A. M. Shaw, third member of the board, is the present dean of the faculty of agriculture at the University of Saskatchewan, Saskatoon. He is a graduate of the Ontario Agricultural College at Guelph.

After a few years as agricultural agent for United States railways, Dean Shaw was appointed Professor of Animal Husbandry at the University of Saskatchewan in 1913. In 1915 he was placed in charge of the university farm and his appointment as Dean of Agriculture came in 1930.

ARGENTINE NEWS IS CONFLICTING ON RUST DAMAGE

But Observers Expect Crop of Over 150 Million Bushels

From Our Own Correspondent

WINNIPEG.—Reports as to the Argentine situation continue to be highly conflicting.

A slight scare last week as to development of rust petered out when it was officially declared that the infestation, while present, had not become serious, but later reports insisted that excessively hot weather was doing damage.

General expectation now is for a crop in excess of the 150 million bushels which a few weeks ago was regarded as the maximum possible.

Still Under 1934

But even if it reaches 170 million bushels, that will still be 65 million bushels less than last year's crop and 115 million bushels less than the crop of two years ago.

Much of the crop is late, as a good deal of seed remained dormant in the ground for several months awaiting rains which finally broke the drought, and observers are evidently puzzled as to how some of the late wheat is likely to turn out.

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Wk. Prev. Year bu.
Canadian Wheat in Store:			
Terminal elevators (Nov. 29)	65,504,000	70,044,000	77,772,800
Country elevators (Nov. 22)	87,938,000	86,567,000	97,576,000
Total (all points), (incl. Nov. 22 Term. wk. Nov. 29)	153,442,000	156,611,000	175,348,000
World Shipm'ts. (incl. flour), (wk. Nov. 25)			
North American	3,501,000	4,186,000	3,360,000
Argentine	1,218,000	1,169,000	3,832,000
Australian	1,193,000	2,802,000	2,256,000
Others	2,216,000	1,976,000	864,000
Total (world)	8,128,000	10,133,000	10,312,000
Visible Supply:			
Canada (Nov. 22)	264,288,000	267,486,000	257,400,000
United States (Nov. 16)	89,242,000	90,160,000	....
Country Marketings and Exports:†			
Canadian exports (Nov. 22)	3,879,000	3,631,000	2,923,000
Cum. to Nov. 22 (16 weeks)	42,972,000	39,092,000	48,952,000
Country marketings (Nov. 15)	3,728,000	4,887,000	6,219,000
Cum. to Nov. 15 (15 weeks)	155,514,000	157,786,000	153,600,000
Country deliveries (cum. Nov. 29)‡	166,303,000	161,674,000	163,211,000
Country loadings (cum. Nov. 29)‡	124,772,000	120,930,000	124,021,000

†Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to Dec. 3, 1935

Crop year from Aug. 1, 1935 High	Low		Open Nov. 27	High for week	Low for week	Close Dec. 3
		Wheat				
.98¼	.82	Dec.	.86⅛	.86¾	.84¼	.85¼
1.02¼	.85⅝	May	.90¼	.90¾	.88	.89
.98	.82	Nov.	.87⅛	.87⅜	.85½	.....
.92⅛	.86½	July	.90¼	.91	.88½	.89⅜
		Oats				
.33⅛	.27⅛	Dec.	.29	.29½	.28	.28½
.35⅝	.29⅝	May	.31½	.31⅝	.30½	.30¾
.32⅝	.30	July	.31⅞	.32⅛	.30¾	.31
		Barley				
.39½	.31¼	Dec.	.33¼	.33⅝	.31¼	.31⅝
.42½	.34¾	May	.36¼	.36½	.34⅞	.35¼
.38	.36	July	.37¼	.37½	.36	.36¾
		Flax				
1.48⅜	1.19¾	Dec.	1.38	1.40⅞	1.38	1.38½
1.54	1.33	May	1.41⅛	1.43½	1.40½	1.41⅞
1.46¼	1.36	Nov.	1.39	1.40⅜	1.39	......
		Rye				
.49⅛	.37⅝	Dec.	.41¾	.41⅞	.39⅜	.40⅜
.51⅞	.41¼	May	.45⅛	.45⅛	.43	.43⅜
.47⅝	.44⅛	July	.46¼	.46⅛	.44⅛	.44⅜

FOX FUR PRICES LIKELY TO STAY AT 1934 LEVELS

Auctions Pending This Month — Active New Brunswick Season

From Our Own Correspondent

MONCTON, N.B.—With the pelting season well advanced in New Brunswick, ranchers have converged on Moncton with supplies of silver fox pelts, and are canvassing buyers with a view to gauging probable market prices this year.

The outlook indicates that prices obtaining at last season's auctions will prevail this year. This view is based principally on prices paid at the auction recently held in London, England. The fox pelts sold at that auction, however, were mainly from the Scandinavian countries.

The first London auction in which New Brunswick will be interested will be held on December 10. The furs offered at that time will be the earlier pelts which, generally, are not as fine as those offered at the auction to be held in London on January 6. The first Canadian sale will take place in Montreal on December 16. It is expected that some of the finest New Brunswick furs will be offered at that sale.

Prices Relatively Low

The annual offering of fox furs from New Brunswick is approximately 35,000. The prices received, of course, vary according to the quality of the fur. However, contrary to general opinion, the return to the ranchers is low. At the sale held at Lampson's, London, England, last January the average price received for 26,000 pelts was $35.80,

Growth of Industry

The fox breeding industry of Canada originated in Prince Edward Island. During the last twenty years this business has developed and expanded to such an extent that today ranches are owned from coast to coast. It has established itself as an important industry now operating on an economic basis.

In the earlier stages the industry was subject to extreme fluctuations. Large sums of money were made and lost. Today the raising of foxes is conducted mainly as a branch of general farming.

Pelts Exported

Much of the fox fur produced in New Brunswick is exported. Foreign competition is keen; especially from the Scandinavian countries. In this connection, according to reports recently received, it is expected that between 130,000 and 140,000 fox pelts will be available this season from those countries.

Western Furs Higher

From Our Own Correspondent

WINNIPEG.—Western Canadian raw furs are in keen demand at rising prices. This was strikingly indicated at the first major Winnipeg auction sale of the 1935-36 season conducted Thursday by Dominion Fur Auction Sales, Ltd.

The offering, which was completely sold on Thursday, represented the first of the new season's catch. There was no carryover from the past season and bidding was keen for all classes.

Mink at $16.25

One of the most interesting collections consisted of mink produced on Manitoba ranches. These skins sold as high as $16.25 and attracted spirited bidding.

The following top prices were realized: badger, $17.50; fisher, $54.50; cross fox, $35; red fox, $10.25; lynx $35; wolf, $6.50 (ones and twos); silver fox, $75.

No Northern Fur

None of the collections offered came from the far north. Their points of origin were in the three prairie provinces and Ontario.

Alberta's Finances

Aberhart Making Genuine Effort to Balance Budget and Cure Economic Ills, Says Robert J. Magor

From Our Own Correspondent

MONTREAL. — Premier William Aberhart's government in Alberta is making a genuine effort to right the province's troubled economic problem and is determined to balance the budget for the fiscal year 1936-37, according to Robert J. Magor, president of the National Steel Car Co. Mr. Magor has been retained as a special economic adviser to the Alberta government.

An investigation of Alberta's financial affairs has been undertaken by Mr. Magor at the invitation of the provincial government. His work has been divided into three sections. First, a study of Alberta's immediate financial position; secondly, help with the preparations for the Ottawa conference of premiers; and thirdly, a survey of the exact position of the province at the end of the present fiscal year, on March 31 next.

Deficit of $9.5 Millions

Alberta's deficit for the current fiscal year, according to Mr. Magor, will total approximately $9.5 millions, divided as follows: Ordinary revenue account, $2.3 millions; capital account, $2 millions; ordinary unemployment relief, $2 millions; agricultural relief, $3.2 millions.

The latter figure, he points out, is a result of the extraordinary outlay required for direct relief in southeastern Alberta and the crop damage in the northern section of the province in the early fall.

No Better; No Worse

"The province of Alberta is no worse than many other provinces," he states. "Her securities are spread all over the place, mostly outside her own boundaries, and every time she pays interest she is draining the country of spending power, and it is a very serious thing. She has a debt of $160 millions which is costing $8 millions a year in interest, and that money mostly goes out of the country, so that the government cannot get any of it back in any way. Premier Aberhart has announced that the government will introduce a refunding scheme which will reduce the interest charges by some $3 millions, but the details of this scheme have not yet been revealed, or decided on.

Balancing of Budget

"The budget of Alberta can only be balanced by three things, refunding the debt, taxation and economies in administration. Its debt has been piling up for 30 years, and the trouble has been that when the province had good years big expenditures were made on capital account instead of paying off capital indebtedness, with the result that carrying charges for these new capital expenditures have steadily increased."

Can Save Millions

It is the intention of the Alberta government to carry out a refunding operation for the purposes of saving $3 millions annually in interest charges, and an attempt will be made to balance the budget by administration economies and increasing revenue from taxation.

Mr. Magor's work for the Alberta government has not yet been completed. Later this month he will spend some time in Ottawa at the inter-provincial conference in the capacity of adviser for the Alberta delegation. After the turn of the year, he expects to go to Edmonton to help in the preparation of the budget.

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Week in Mining

Market Signals "Clear"

• • • •

Base Metals Improve

Most market barometers continue to indicate smooth sailing in the immediate future, with the result that prices have maintained their steady rise, initiated early in September. More recently, base metal stocks forced attention upon themselves, and some new highs for the year are being gained by this section. Noranda, Hudson Bay Mining & Smelting, Consolidated Mining & Smelting, and others are experiencing more activity than they have felt for some time. Even such stocks as Sherritt, Sudbury Basin, Amulet and Pend Oreille are getting their share of market activity.

Back of this tendency, which has not yet developed into a trend, is a very tangible improvement in base metals and structural materials.

Ontario Production

THE Ontario Department of Mines has, in its report on Ontario mineral production definitely indicated this improvement. In connection with structural materials, the increase is most marked. While the 1934 figures for this particular section of the mining industry showed an increase of over $1 million over 1933, this year's production should top last year's by nearly $2 millions. In making these forecasts, value of contracts awarded in the province covering residential, business and engineering construction are used, in combination with nine-month production figures.

As for the nickel-copper industry, the first nine months of this year broke all records. Tonnage of ore treated topped that of 1934 by nearly 24 per cent.

* * *

Inco's Expansion

THE announcement that International Nickel Co. will spend $6 millions on its plant at Copper Cliff climaxes a period of unprecedented expansion in this firm.

Demand for nickel has increased rapidly since 1932. It is generally known that International Nickel has always made it a policy to keep substantial reserves of this metal on hand, so that any sudden demand may be quickly met. In deciding to increase the reserve capacity of the Copper Cliff plant, the company is apparently banking on future as well as present demand.

This company has only recently completed another big expansion programme, concentrated at Copper Cliff. These expansions, in addition to increasing output, or potential output, will also result in much lower operating costs. In addition, of course, they have a marked effect in reducing unemployment and increasing payrolls in the various localities in which the company operates.

* * *

Hebecourt Disappointment

THE news contained in the statement from Robb-Montbray Mines, regarding the Hebecourt twp. property, will come as a disappointment to many.

This is a striking example of the vagaries of mining. The strike, when first made, had all the evidences of a major find. Geology supported this view. The area was in the spotlight for some weeks, as a result of the sensational values found. Three drill holes, however, were sufficient to prove that the property lacked merit, and no further money will be spent on it.

Officials of Robb-Montbray are to be congratulated on the promptness with which they reported disappointing results, and also on the fact that it only cost the company $7,000 to obtain them.

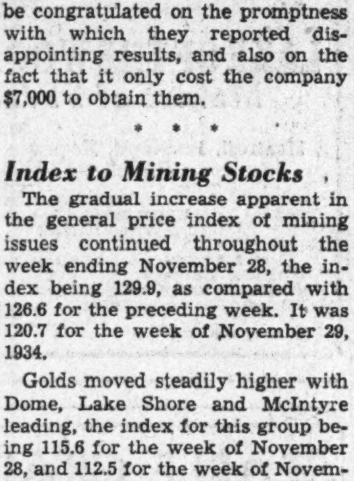
* * *

Index to Mining Stocks

The gradual increase apparent in the general price index of mining issues continued throughout the week ending November 28, the index being 129.9, as compared with 126.6 for the preceding week. It was 120.7 for the week of November 29, 1934.

Golds moved steadily higher with Dome, Lake Shore and McIntyre leading, the index for this group being 115.6 for the week of November 28, and 112.5 for the week of November 21. The comparative index for the same week last year was 120.2.

Prices of base metals continued steadily upward, the index reaching 188.6, an advance of over sixty points on the corresponding index for the same interval in 1934. For the week of November 21 this index was 184.4.



FOND DU LAC AREA GOLDFIELDS RIVAL IN NORTHERN SASK.

Smelters Reported to Have Paid $75,000 For 18 Claims

From Our Own Correspondent

Regina, Sask.—According to indications, the Fond du Lac gold discovery, about 40 miles east of Goldfields, on Lake Athabaska, is rating high. It looks to be as favorable a find as Goldfields, according to information received by Saskatchewan's department of natural resources.

Claims staked are now believed to be on their way to the 200 mark, but only about one-third of them are registered or in process of registration.

It is in this territory that Consolidated Mining and Smelting Co. has optioned something like 18 claims for $75,000. This figure is approximate and estimates have ranged as high as $100,000. Definite information cannot be obtained about Smelters operations in the Athabaska field.

Errington Interests Active

Besides Smelters, Northwest Minerals and the Errington interests through J. D. Nicholson are the larger companies that have entered this field.

Excellent samples of free gold are reported but on the specific value or probable size of the free gold area, the natural resources department is awaiting information.

With resumption of air travel into the north it is expected the department will be in a better position shortly to appraise the extent of discoveries in that territory.

First news concerning the Fond du Lac finds occurred in September, and Sucker Bay was the vicinity. Sucker Bay is in the territory where the lake narrows down to Fond du Lac River.

ALGOLD'S MILL READY TO START ON 50 TON BASIS

Engineer Reports Potential Reserves of 60,000 Tons Above 200 Ft.

The Michipicoten gold districts, one of the oldest mining areas in Ontario, is today one of the most active. A number of companies are planning to follow up last summer's work with large scale winter developments. Already this area boasts several producing mines.

The Minto, Parkhill, Centennial, S. B. Smith, and Darwin are swinging ahead with steady production. Officials of Algold Mines report that production is planned for the near future.

Algold, developing what was formerly the Goudreau property, has sunk the shaft to a depth of 425 ft., with main operations concentrated on the 100 and 200-ft. levels. A sublevel is established at 140 ft. and here the vein, found on surface to carry good values, has been opened up and a raise extended to the 110-ft. level.

R. F. Mitchell, formerly with Hollinger, is in charge of operations, and has reported that there are potential ore reserves of about 60,000 tons, with an estimated value of $600,000 above the 200-ft. level.

The 50-ton mill, capable of being enlarged to 150 tons, is now ready for operation, and officials expect production will be instituted at an early date.

Metal Prices

New York—Dec. 3—
Copper: Electrolytic spot and future, $9.25.
Silver: 65⅜c.

London—Dec. 3—
(Long Ton)—
Copper: Electrolytic spot, £39 10s; future, £40. Standard spot, £35 10s; future, £35 17s 6d.
Tin: Spot, £225 5s; future, £213 17s 6d.
Lead: Spot, £17 15s; future, £17 15s.
Zinc: Spot, £15 12s 6d; future, £16.
Gold: 140s 1d.
Silver: 29 1/16d.

Canada—Dec. 3—
Gold: $35.18.

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Structural Materials Help Ontario Mines Record Banner Year

Production of Group Shows Increase of $1.3 Million — Grade Higher as Gold Producers Swing from Marginal Ore

Based on returns for the first nine months of 1935, including building permit figures, the Ontario Department of Mines estimate that Ontario's mineral output will have a gross value, in Canadian funds, of $152.6 millions as compared with slightly over $145.8 millions in 1934.

While the value of gold is, of course, largely responsible for this increase, it is noteworthy that structural materials, according to this forecast will show an improvement of about $1.3 millions. Clay products also show an improvement. Non-metals alone will show a decline, the department estimates, although the comparatively slight one of about $553,000.

In the nine months gold returns, an analysis of which appears below, it is noticeable that many of the large gold producers show an increased grade, thus indicating that the low grade policy adopted after the price of gold rose to $35 per ounce, is being, in part at least, abandoned.

The following table, based on official departmental figures, shows the value and quantity of metal products marketed for the first nine months of 1934 and 1935.

Nine Months Metal Output

Product		Quantity 1934	Quantity 1935	†Value 1934	†Value 1935
Gold	oz.	1,564,011	1,610,661	$54,559,266	$56,509,689
Silver	oz.	4,024,261	3,546,626	1,824,094	2,335,643
Platinum metals*	oz.	89,804	87,340	2,678,678	2,381,332
Copper, metallic, and in ores, exp.	tons	70,263	84,775	10,584,587	12,266,942
Copper in matte exported	tons	7,305	4,244	657,424	381,999
Nickel in matte exported	tons	48,430	49,011	22,630,954	24,813,023
Selenium	lb.	‡	54,363	‡	95,135
Tellurium	lb.	nil	10,837	nil	18,965
Cobalt	lb.	404,115	485,435	487,555	326,482
Bismuth	lb.	3,977	4,264	3,977	4,264
Lead in smelter products exp.	tons	6	7	519	262
Chromite	tons	......	398	......	4,776
Total value in Canadian funds		....	....	$93,427,054	$99,138,512

*The 1935 figures are those for first six months. †In Canadian funds. ‡Not available.

Nickel-copper at Record Peak

The nickel-copper industry, compared with the same period in any previous year, has eclipsed all previous records. Tonnage of ore treated topped that of 1934 by almost 24 per cent. While copper and nickel matte exported was lower than the previous year, refined nickel and blister copper have shown marked increases.

In commenting on gold, the department points out that one of the outstanding features of the year has been the development in the northwest section of the province, including the Sudbury area. Here 21 mines were active during the period, production ranging from a few hundred dollars to almost a million.

In the following table, The Post has taken the nine months figures supplied by the department, and compared them with third quarter production figures. Recovery per ton, and the number of tons milled daily has also been estimated. Values given are based on gold at present prices.

Companies with only a small production are not included.

Among such companies are Bidgood, Gillies Lake, McLaren, Naybob, Moffatt-Hall Payne Sydney, Clark Gold, Dik Dik, Duport, Halcrow Swayze, S. B. Smith, Tashota and Vermilion Operating Co. All these companies reported production during the period, and helped to swell the total considerably. Their production, however, does not lend itself to the analytical treatment afforded the major producers listed below.

Anglo-Huronian (Vipond)

	3rd quar.	9 mos.
Total recovery	$ 93,134	304,535
Tons milled	27,970	80,501
Rec. per ton	$ 3.33	3.78
Tons daily	304	295

The Vipond mine, only producing subsidiary of Anglo-Huronian, has shown a steady decrease in grade for many months now, operations being definitely limited. Development work has failed to reveal any new commercial ore of importance. Anglo-Huronian itself, of course, has been paying regular dividends from its investment portfolio, and the Vipond operation is a minor factor in its bearings.

Buffalo Ankerite

	3rd quar.	9 mos.
Total recovery	$ 254,913	725,455
Tons milled	41,878	113,516
Rec. per ton	$ 6.08	6.39
Tons daily	453	415

Increased mill capacity at Buffalo Ankerite has more than offset a slight decrease in grade. Gold production for the first nine months of 1935 stood at 20,628 ounces. In addition, officials of the company have announced that operating costs have been reduced to a new low figure close to $4 per ton.

Coniaurum

	3rd quar.	9 mos.
Total recovery	$ 253,758	819,356
Tons milled	35,110	109,905
Rec. per ton	$ 7.22	7.45
Tons daily	381	402

Decrease in production at Coniaurum, Porcupine producer, in the third quarter was blamed partly on excessive dilution in certain flat-lying veins, partly to breakage of the primary crusher, and partly to change-over to new hoist and head frame.

Dome

	3rd quar.	9 mos.
Total recovery	$1,832,945	5,479,383
Tons milled	137,700	411,400
Rec. per ton	$ 13.31	13.31
Tons daily	1,496	1,506

Recovery per ton is being well maintained at Dome, although a slight decrease in daily tonnage is noticeable. In the first nine months of this year, the company reported earnings per share of $3.50 in comparison with $3.65 per share for the corresponding period of 1934.

Hollinger

	3rd quar.	9 mos.
Total recovery	$3,719,436	10,557,183
Tons milled	477,506	1,373,435
Rec. per ton	$ 7.70	7.68
Tons daily	5,190	5,030

Higher grade and increased tonnage combined to swell the output of Hollinger. Although it is understood this company has not yet completed its "mopping-up" programme, by which lower grade ore from the higher levels is being run through the mill, the grade has increased. This company produced over 299,453 ounces of gold during the first nine months.

Marbuan

	3rd quar.	9 mos.
Total recovery	$ 74,335	203,455
Tons milled	15,748	43,222
Rec. per ton	$ 4.72	4.70
Tons daily	171	158

Marbuan shows grade well maintained, and tonnage slightly higher in the third quarter of the year. The agreement by which this property would be purchased by Buffalo Ankerite is still under discussion.

McIntyre

	3rd quar.	9 mos.
Total recovery	$2,067,488	6,174,339
Tons milled	216,300	647,900
Rec. per ton	$ 9.55	9.52
Tons daily	2,351	2,373

McIntyre Porcupine shows little change during the nine months period. Gold production, however, shows a slight decline in quantity under the first nine months of 1934. Over 175,000 ounces of gold were produced in the first nine months of this year, compared with 181,440 ounces in the similar period last year.

Paymaster

	3rd quar.	9 mos.
Total recovery	$ 145,523	386,121
Tons milled	21,208	53,227
Rec. per ton	$ 6.86	7.25
Tons daily	230	194

Paymaster has steadily increased its milling rate from about 205 tons per day in May, to approximately 267 tons in October. Since the crusher house revamping has been completed, the mill rate has been about 317 tons per day.

Barry-Hollinger

	3rd quar.	9 mos.
Total recovery	$ 32,553	123,105
Tons milled	9,756	26,052
Rec. per ton	$ 3.33	4.72
Tons daily	106	95

Barry-Hollinger has not had marked success in developing its property in the south section of the Kirkland Lake camp. A sharp decrease in the grade of ore treated is noticeable in the analysis above.

Kirkland Lake Gold

	3rd quar.	9 mos.
Total recovery	$ 190,499	571,614
Tons milled	17,784	51,948
Rec. per ton	$ 10.71	11.
Tons daily	193	190

A notable increase in quantity of gold produced is shown by returns from Kirkland Lake Gold Mines. In the first nine months of this year, the company produced 16,249 ounces of gold, as compared with 15,228 ounces in the first nine months of 1934.

Lake Shore

	3rd quar.	9 mos.
Total recovery	$4,043,329	12,132,411
Tons milled	209,371	622,357
Rec. per ton	$ 19.31	19.46
Tons daily	2,275	2,279

Lake Shore Gold Mines, mammoth Kirkland Lake producer, continues in its stride as the biggest gold producer in Canada. Grade and tonnage remain practically unchanged. Value of gold produced shows an increase of almost 25 per cent over last year.

Macassa

	3rd quar.	9 mos.
Total recovery	$ 293,651	769,644
Tons milled	17,674	50,746
Recov. per ton	$ 16.64	15.15
Tons daily	192	185

Macassa Mines shows a distinct improvement in both grade and tonnage. Here again, however, a slight decrease in quantity of gold produced is noticeable this year, although value increased considerably.

Sylvanite

	3rd quar.	9 mos.
Total recovery	$ 496,753	1,415,606
Tons milled	38,855	113,932
Recov. per ton	$ 12.78	12.42
Tons daily	422	417

This company appears headed for a banner year, with production for the first nine months totalling 40,211 ounces, as compared with production of 37,079 ounces in the first nine months of last year. Value of production shows a still sharper increase of nearly $650,000.

Teck Hughes

	3rd quar.	9 mos.
Total recovery	$1,258,362	3,649,995
Tons milled	115,102	316,844
Recov. per ton	$ 10.93	11.51
Tons daily	1,251	1,160

There has been little change in production at Teck-Hughes during the third quarter of the year. Quantity of gold produced will show a definite drop this year as production is gradually curtailed.

Toburn

	3rd quar.	9 mos.
Total recovery	$ 190,453	524,369
Tons milled	9,085	26,625
Rec. per ton	$ 20.96	19.69
Tons daily	98	97

Wright Hargreaves

	3rd quar.	9 mos.
Total recovery	$1,978,948	5,598,696
Tons milled	90,571	264,262
Rec. per ton	$ 21.84	21.18
Tons daily	984	967

Wright-Hargreaves is understood to be planning still further increases in tonnage. It will be noticed above that both grade and tonnage showed an increase in the third quarter of the year.

Ashley

	3rd quar.	9 mos.
Total recovery	$ 103,246	312,116
Tons milled	11,677	34,362
Rec. per ton	$ 8.84	9.08
Tons daily	126	126

Matachewan Con. Grade Up

	3rd quar.	9 mos.
Total recovery	$ 100,072	252,347
Tons milled	12,700	34,945
Rec. per ton	$ 7.87	7.22
Tons daily	138	128

Young Davidson

	3rd quar.	9 mos.
Total recovery	$ 188,901	475,442
Tons milled	62,933	162,130
Rec. per ton	$ 3.00	2.93
Tons daily	684	593

Central Patricia

	3rd quar.	9 mos.
Total recovery	$ 209,374	500,295
Tons milled	10,418	23,960
Rec. per ton	$ 20.10	20.88
Tons daily	113	88

Howey Gold

	3rd quar.	9 mos.
Total recovery	$ 290,492	985,602
Tons milled	108,424	353,598
Rec. per ton	$ 2.67	2.78
Tons daily	1,178	1,295

Little Long Lac

	3rd quar.	9 mos.
Total recovery	$ 280,121	773,996
Tons milled	15,801	44,083
Rec. per ton	$ 17.72	17.55
Tons daily	171	161

McKenzie Red Lake

	3rd quar.	9 mos.
Total recovery	$ 205,181	354,195
Tons milled	13,981	24,405
Rec. per ton	$ 14.67	14.51
Tons daily	151	89

McMillan

	3rd quar.	9 mos.
Total recovery	$ 75,495	230,614
Tons milled	16,528	28,289
Rec. per ton	$ 4.56	8.15
Tons daily	179	103

Northern Empire

	3rd quar.	9 mos.
Total recovery	$ 179,982	428,926
Tons milled	11,500	32,542
Rec. per ton	$ 15.67	13.18
Tons daily	125	119

Parkhill

	3rd quar.	9 mos.
Total recovery	$ 102,073	262,754
Tons milled	5,225	15,590
Rec. per ton	$ 19.53	16.85
Tons daily	56	57

Pickle Crow*

	3rd quar.	9 mos.
Total recovery	$ 377,933	523,033
Tons milled	15,600	23,476
Rec. per ton	$ 24.31	22.27
Tons daily	169	85

St. Anthony Grade Drops

	3rd quar.	9 mos.
Total recovery	$ 51,418	183,264
Tons milled	14,281	33,572
Rec. per ton	$ 3.60	5.45
Tons daily	155	122

INCO'S GROWTH BASED ON FAITH IN FUTURE SALES

Long-term View Taken of Latest Expansion News

SPEND $6 MILLIONS

Additions to Reserve Capacity All Part of Long Record of Looking Ahead

Street rumors regarding developments at International Nickel Co.'s Copper Cliff plant received official confirmation with the announcement by Robert Stanley, president, that an expansion programme, aimed at increasing the reserve capacity of the plant, and costing about $6 millions would be launched immediately.

The programme calls for the construction of an addition to the Copper Cliff smelter, served by a new high stack, and the installation of two more reverberatory furnaces and eight converters, with the necessary auxiliaries, such as blowers, airlines and electrical equipment. It is expected that the programme will take about a year to complete.

Back of this announcement is a remarkable story of industrial expansion which is probably without precedent in the history of individual Canadian companies.

$50 Millions Programme

In December, 1931, when industrial conditions were at a desperately low ebb, International Nickel Company was just completing a huge expansion programme involving the expenditure of about $50 millions. This expansion programme, despite the black outlook at the time it was completed, has proved to be amply justified as markets for nickel were created rapidly. Another result of this initial programme was that about 90,000 tons of nickel, 120,000 tons of copper, 40,000 ounces of gold, 1.5 million ounces of silver, and 300,000 ounces of platinoid metals, could be produced annually at the lowest costs in the history of the company. Thus International Nickel entrenched itself as practically the world's sole source of nickel. It is well known that nickel deposits occur in other parts of the world, and that Inco's maintenance of her position is due largely to the low cost at which the Sudbury ores may now be treated.

The next step in this company's growth was culminated last year, when smelter additions and four new converters were brought into operation. A new deep shaft at the Creighton mine, to effect an economy in mining, was launched. This shaft will probably go down to 4,000 ft.

The latest announcement, therefore, comprises the fourth step in the expansion of Inco. It would be a mistake to interpret the announcement as meaning that sales of nickel will be immediately jumped, or that the expansion is aimed to meet an imminent expansion in markets. International Nickel has maintained a policy of keeping large reserves of nickel at Huntingdon, West Virginia, Clydach, Wales, and other foreign branches.

In addition to nickel, the company recently decided on a policy of pushing copper sales, by seeking new markets for this metal. Nickel's success in creating industrial markets for nickel, and nickel-copper alloys, augurs well for the success of this plan.

Briefly, therefore, the latest announcement from Inco is being interpreted by competent observers as indicating a long term outlook rather than an immediate boom in nickel sales. Officials are also probably motivated by comparatively low construction costs prevailing at the present time.

ROBB-MONTBRAY FORMS COMPANY FOR BEIDELMAN

Darkwater Mines to Work Sturgeon Lake Property

As a result of interesting developments on the Beidelman group of claims at the south end of Sturgeon Lake, Robb-Montbray Mines which has been working this property under option, has formed Darkwater Mines to own and develop it.

This statement, and the fact that three diamond drill holes sunk in the sensational looking Hebecourt twp. property failed to give promise, are highlights in an interim report issued to shareholders over the signature of Robert Bryce, president. Readers of The Post will recall that a fair sized staking rush followed a rich strike made by Melville Robb, for Robb-Montbray in August of this year, in the Hebecourt area of Quebec.

The cost of the work done on this group prior to abandonment was $7,000, Mr. Bryce reports.

Considerably better results were obtained from the Beidelman group. The surface has been carefully sampled, and 17 drill holes have been sunk, with an average depth of 125 ft. While combined results have been erratic and spotty, due to free gold, a probable commercial ore body has been indicated. Present indicated width is 4 ft. for over 600 ft. in length, grade running about $10.

The capital of Darkwater Mines is 1.5 million shares, of which the vendors receive 400,000 shares. Robb-Montbray has an option on 800,000 of the remaining treasury stock at prices ranging from 10 cents to 75 cents per share, to be taken up as money is spent on the property.

The various operations carried out during the year cost about $55,000, the company's liquid resources, which, as at Dec. 31, 1933, the latest figure available, stood at $103,018, being depleted to that extent.

An attempt to revive operations at the company's original property resulted in a net loss of $11,500, total loss on this venture being $19,800.

The company will issue an annual report as soon as possible after the close of the fiscal year, on Dec. 31, 1935.

Silver Trading

Trading in Montreal
Nov. 25 to Nov. 29

	High	Low	Close	Contracts
Dec.	65.95	65.65	65.69	133
Jan.	65.60	65.60	65.50	2
Mar.	65.50	65.40	65.40	3
May	65.90	65.50	65.50	78
July	65.95	65.89	65.60	4
Sept.	65.95	65.95	65.70	1

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ARNTFIELD COSTS SHOW SHARP DROP NEW ORE FOUND

Underground Developments Ahead of Mill, Says President

The new mill at Arntfield Gold Mines, which came into regular production on August 1, produced bullion to the value of $106,000 in August, September and October, shareholders are informed in a progress report shortly to go forward to shareholders.

In addition to this amount, mill absorption took about 400 ounces of gold. During the three month period the mill handled an average of 170 tons per day. Tailing losses have averaged as low as 28 cents.

Mill costs have been steadily reduced since operations started, and fell from $1.11 in August, to $1.08 in September, and 96 cents in October. Over-all costs have also decreased, with the result that in October, mining, milling and administrative costs, including prior developments write-offs, amounted to only $4.75.

Capital expenditures for plant and equipment are practically completed, F. S. Arntfield, president, reports. Underground, both the 250-ft. and 375-ft. level stopes in the No. 3 east ore body have opened up longer and wider than shown by earlier work. New development was started on the 525-ft. level at No. 3 shaft, and this has been productive of the longest ore length so far opened up at the mine. To date this level has been opened up for a length of 550 ft., all of which is in ore averaging about $7 across better than 7 feet.

The company states that a much longer ore body may be expected on this level than on either of the levels above.

Ore has been developed much faster than mining, Mr. Arntfield reports.

Mining Dividends

	Rate	Close Dec. 2	Yield %
Anglo-Huronian	20c	4.00	..
Buff. Ankerite	20c	3.60	5.5
Bulolo Gold	2.60	32.50	8
Cariboo	10c	1.19	8.4
Coniagas‡	12½c	2.95	..
Cons. Smelters	$1.25	211.00	..
Dome Mines	$2+$2	41.50	9.6*
Falconbridge	30c	6.30	4.8
Hollinger	65c+25c	14.70	6.7*
Howey Gold	5c	.62	..
Hudson Bay	$1	20.00	5
Int. Coal & Coke‡	1c	.19	..
Inter. Mining	60+5c	13.00	5*
Int. Nickel c.	$1	40.75	2.4
Kirk. Lake‡	3c	.46	..
Lake Shore	$2+$2	51.00	7.8*
Macassa	15c	2.95	5
McIntyre	$2	39.00	5.1
McKinley Sec.	5c	.50	..
McWatters Gold†	5c	1.67	..
Nipissing	12½c	2.50	..
Noranda‡	$1	44.87	2.2
Nor. Canada†	2c	.27	..
Premier	12c+1c	1.75	7.3*
Pioneer, B.C.	80c	9.95	8
Reno	12+2c	.95	14.7*
San Antonio	21c	2.97	7
Siscoe	20c+3c	2.60	8.8*
So. Amer. Gold	30c	5.00	6
Sylvanite	20c	2.34	8.5
Teck Hughes	40c	4.44	8.9
Toburn	8c	1.15	6.9
Wright-Har.	40+20c	7.80	7.7*

‡Interim. †Initial. *Yield includes bonus.

Gold Production

Canada produced 280,362 ounces of gold in September as compared with 294,361 ounces in the preceding month and 244,777 ounces in September, 1934. During the nine months ended September the Canadian output of gold totalled 2,378,272 ounces, an increase of 8.4 per cent over the production in the corresponding period of 1934.

SHAWKEY
now preparing for production in February with an initial capacity of 125 tons per day. We shall be glad to send a copy of the latest progress report published by the company upon request.
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GRANADA OPTION NOT EXERCISED BY R. C. GAMBLE

Terms Called for Taking Up Stock at 30c Per Share

With the stock currently selling at 20 cents per share, R. C. Gamble, president of Granada Gold Mines has seen fit not to exercise his option to take up by November 20, 1935, stock at 30 cents per share in payment of loans made to the company. Mr. Gamble, it is understood, has made additional loans up to November 25, 1935, of $14,572.

In the meantime the company plans to clean up the old mill site and sink the No. 2 shaft to 3,300 ft. before the new mill will be erected. It is expected that the sinking of the shaft will be started before the end of this year and it is thought probable that erection of the new mill will not be started before the spring of 1936.

As at December 31, 1934, Granada Gold Mines showed loans and current account in favor of R. C. Gamble of $60,737. In all, current liabilities of this company at that time amounted to $126,186 as against current assets of $43,819, leaving a deficit in the working capital of $82,367.

Wendigo Mines Charter Goes to Slave Lake

Commenting on the notice appearing in a recent issue of the Ontario Gazette, to the effect that Wendigo Mines Ltd. has changed its name to Slave Lake Gold Mines, Henry Tudor, president of Wendigo Gold Mines, informs The Post that this change has no effect whatever on the latter company.

When shareholders of Wendigo Gold Mines met late in December, 1934, they approved a reorganization plan, whereby a new company, Wendigo Mines Ltd. would be formed with an authorized capitalization of $2 millions, in $1 par value stock. Later, this plan was rescinded and authority obtained to increase authorized capitalization of Wendigo Gold Mines to 3 million shares, $1 par value. But in the meantime, the charter to Wendigo Mines had been granted.

Now, Mr. Tudor explains, Wendigo Mines has changed its name to Slave Lake Mines, and the authorized capitalization has been increased from $2 millions to $3 millions. Slave Lake Mines, of which Mr. Tudor is also president, will operate as an entirely separate company. No definite details as to where this company will operate are obtainable at present, but it is understood the property will be in a different area from Wendigo Gold Mines.

Coniaurum Reports Details Of Pamour Porc. Rights

Following announcement that Coniaurum Mines would exercise in advance the option which it held to purchase additional shares of Pamour Porcupine Mines stock, the company has now announced to shareholders that they are entitled to purchase Pamour Porcupine Mines stock at 20 cents per share, the cost to Coniaurum.

Those entitled to this right will be shareholders of record December 14, 1935, and the purchase price must be paid in full in funds payable at par in Toronto on or before February 15, 1936. Coniaurum shareholders may purchase one share of Pamour for each ten shares of Coniaurum held.

Gold Quartz Mining Corp. Options Quebec Property

Gold Quartz Mining Corp., incorporated in February of this year with an authorized capitalization of two million shares, $1 par value, has taken an option on a property in Courville twp., Quebec, and has let a contract for drilling which is now under way. This property is adjacent to the Randall Mines and La-Rose Rouyn Mines where drilling is also in progress.

Harry Button, president of Gold Quartz reports that the company is also looking over other mining properties at the present time with a view to taking up option.

Mining Concerns Newly Formed

Broatch Mining Recovery.—B. C. incorporated Nov. 6, 1935. H. O. 411 Bank of Nova Scotia Bldg., Vancouver, B.C. Author. capit. 50,000 shares, par $1.

• • •

Centaur Mining Co.—Federal charter Nov. 5, 1935. H. O. Montreal. Author. capit. $50,000, par $1.

• • •

El Callao Mining Co.—Federal charter Nov. 1, 1935. H. O. Toronto. Author. capit. 2,000,000 preference shares and 2,000,000 common shares of no par value.

• • •

Thompson River Dredging Co.—B. C. incorporated Oct. 25. H. O. 163 Hastings St. W., Vancouver, B.C. Author. capit. $22,000, $1 par.

• • •

Winifred Holdings—B. C. incorporated Nov. 4, 1935. Reg'd office 412 Pacific Bldg., Vancouver, B.C. Author. capit. 50,000 shares $1 each.

• • •

Charter Surrendered

Lacoma Gold Mines—In the Nov. 23 issue of the Ontario Gazette notice was given of the intention to apply for acceptance of the surrender of the charter of Lacoma Gold Mines Limited.

• • •

La Roche Mines—At a meeting held Nov. 13 the company decided to go into voluntary liquidation and be wound up and F. L. Heard was appointed liquidator.

• • •

Leader Gold Mines—At a meeting held Nov. 5 a resolution was passed requiring the company to be wound up and appointing Frank O. Tidy, of 9 Toronto St., Toronto liquidator.

• • •

Merged

Wendigo Mines Ltd.—A notice appeared in the Ontario Gazette of November 2, changing the name of the company to Slave Lake Gold Mines Ltd. and increasing the capital of the company from two million dollars to three million dollars by creation of an additional one million shares of the par value of $1 each.

Sorting the Mines, 11.

An Impartial Analysis of Listed Stocks from A to Z

This is the eleventh in a series of articles attempting to examine, at close range, the various stocks, listed day by day, on the mining sections of various Canadian exchanges.

These little close-ups do not pretend to be exhaustive analyses of the companies dealt with. They are aimed, however, at giving Post readers a rapid fire inventory of the market today. Each stock will be dealt with in alphabetical order at the rate of three or four a week as space permits.

Canadian Kirkland

Canadian Kirkland Mines owns a property in Teck Twp., about one mile south of Macassa Mines, in Ontario's Kirkland Lake area. This property is an old-timer, as Kirkland companies go, and was acquired in 1927 from Canadian Kirkland Gold Mining Co. This latter concern received 1,125,000 shares for the property, and distributed them to shareholders, on the basis of one new for each 3 1/3 old shares.

Surface work on the property disclosed a low grade vein, which, while failing to show commercial values, was geologically well formed, and gave basis for the belief that commercial ore would be found where the vein contacted the porphyries at about 800 ft. depth. Accordingly the shaft was deepened to 800 ft. Considerable work was done from this level, but no commercial ore was located. Nothing of a definite nature was located by two other shallow shafts.

Development of this property has been slow because of an almost chronic lack of finances. During those periods when finances were available, however, work at the property has been carried out thoroughly and in a business-like manner. In March, 1934, authorized capitalization was increased from 3 million shares, $1 par to 4.5 million shares, $1 par. As at Nov. 27, 1935, the outstanding stock totalled 3,753,406 shares.

All in all, while this property has, over a fairly long period, been given a thorough test, it has yet to show that it has any importance. The company has not published a financial statement recently.

Price Range of Stock

	High	Low	Last
1934			
Common	0.03	0.02	0.02½
1935			
Common	0.03¼	0.01	0.01⅛

Canadian Malartic

Two major developments have had an outstanding effect on the career of this Ventures controlled company, namely $35 gold, and a reorganization which took place within the company early in 1933.

In August, 1929, owing to an adverse report made on the property, operations were suspended. There was a strong feeling at the time, however, that the property had not been given a real chance to show its merit. The treasury was in bad shape, however, and it was not until March, 1933, that a tangible effort to restart the work was made.

As a result of these efforts, the company was reorganized under its present name, the capitalization was increased to 4 million shares no par value, and Ventures Ltd. with associated companies, took a hand at financing. Under this arrangement, Sudbury Basin, another Ventures company, took shares at 20 cents each for its advances, which amounted to about $65,000. Ventures Ltd. and associates underwrote 500,000 shares at 20 cents per share, and took an option on a further 1,250,000 shares. In January of this year, following a report that $200,000 more would be needed to complete the programme, Ventures Ltd. and Sudbury Basin agreed to take up the balance of the shares optioned to them, to supply the treasury with $112,500, and leave $87,500 to be raised by public subscription. Ventures and Sudbury Basin also agreed to subscribe for an additional 175,000 shares at 50 cents per share.

Jowsey Island Gold Down Over 105 Ft.

The shaft at Jowsey Island Gold Mines, subsidiary of God's Lake Gold Mines, Manitoba, is now down to a depth of 105 ft., H. R. Drummond-Hay, sec.-treas., reports. The "A" zone vein came into the shaft from the south side at 90 ft. The vein is dipping about 60 degrees to the north and is about three ft. wide, carrying free gold. Assays had not been taken up at the time the report was made.

There are two vein systems on this property and the shaft is being sunk between the two. God's Lake Gold Mines holds 1.2 million shares of the stock in this company.

Canadian Malartic came into production in April of this year. While at the present time the mill is handling about 170 tons per day, plans for bringing the daily capacity up to 300 tons are being executed, and it is expected that this tonnage will be handled by the end of this year.

While bringing this northwestern Quebec property to production has been a costly business, present indications are that the investment will prove to be a good one.

Price Range of Stock

	High	Low	Last
1934			
Common	0.78	0.38	0.63
1935			
Common	0.91	0.54	0.90

Canadian Rand

Backed by some well-known British Columbia mining men, Canadian Rand has been seeking to develop a property at McGillvray Falls, in the Bridge River area of the Pacific province.

Surface development resulted in location of several veins, the most important being known as the California, the Park, and the Diorite groups. At the present time a tunnel is being driven to intersect the California vein at a depth of 700 ft. This vein has been traced for 4,000 ft. by stripping and open cuts on the surface. When this work is finished, the company plans to start another tunnel from the Park group to cut the same vein at a depth of 1,000 ft., thus proving up the whole property from the California group to the Park group.

It will be seen from the above that much work remains to be done on this property before it emerges from the prospect class. Gen. J. Duff Stuart, Arthur Noel, and other board members present a strong front however, and assuming that the company has sufficient funds to give the property the thorough working over that it needs, this, at present prices, is a fair enough speculation. In regard to finances, the balance sheet as at April 30, 1935, shows current assets of slightly over $2,000. The major part of this is cash on hand. Current liabilities at that time totalled slightly over $4,000, made up largely of accounts payable.

The company reports that 600,000 shares have been sold. Of this amount, 200,000 were sold in October last to net the company $20,000, which will, of course, swell current assets. This sum, officials recently told The Post, can be considered sufficient for all operations now in hand.

Of an authorized capitalization of 4 million shares, par value 50 cents, the company reports 1,625,000 issued for properties, of which 1.4 million are held in escrow. With the 600,000 shares sold, this would leave an issued capitalization of some 2,225,000 shares.

Price Range of Stock

	High	Low	Last
1934			
Common	0.24	0.05	0.06
1935			
Common	0.10	0.03	0.05

Cariboo Gold Quartz

Here is another property which has been a tough one to bring under control. The fact that today it has been brought under control to the extent of becoming a dividend payer is due largely to the efforts of the veteran British Columbia miner, Fred M. Wells, and his associates. Dr. W. B. Burnett and O. H. Solibakke, known in Vancouver mining circles as the "Three Musketeers."

The property, which dates back to early placer boom in the Bridge River district of British Columbia, has received many a black eye, but through the faith and knowledge of these three men is now rated as one of the outstanding British Columbia lode producers

Production has taken big strides since the mill started at the rate of 35 tons of ore per day in January, 1933 Today, capacity at the mill is being increased from 150 to 200 tons per day

Ore reserves, which, at Jan. 31, 1935, stood at 99,676 tons, with an average grade of .416 oz. have been more than maintained, it is understood.

While admitting that cash reserves, which as at January 31, 1935, stood at some $231,000 were not as substantial as ordinarily they should be when initiating a dividend, officials in announcing a dividend of 10 per cent per annum, pointed out that because of the large number of shareholders who originally provided the necessary capital, they felt the announcement was warranted.

Recent earnings at this property would appear to justify this view.

Cariboo Gold Quartz has an authorized capitalization of only $2 million, in $1 par value stock. Of this amount, $1,283,309 had been issued up to Jan. 31, 1935.

Price Range of Stock

	High	Low	Last
1934			
Common	2.90	1.00	1.53
1935			
Common	1.50	0.95	1.17

Mining Enquiries

Monarch Mines

We are interested in Monarch Mines, and would appreciate your summary of this company's position at the present time.

Monarch Mines was formed in November last year to succeed Monarch Great Bear Syndicate Ltd. The company owns 600 acres in the Great Bear Lake district and 360 acres in Dasserat Township, Quebec. Development work is being concentrated on the Quebec property. In June 1935 the company reported that it had no liabilities other than $2,600 payable over the next ten months on the purchase of the Dasserat property. The company has an authorized captalization of $5,000,000 in $1 par value stock of which $2,584,211 were outstanding as at June 30, 1935.

Both the properties of this company are speculations without particular attraction and the stock lacks marketability.

Excello Mines

Would you please be good enough to furnish us with a report on Excello Mines in which we are interested.

Excello Mines is developing a property formerly owned by Furness Gold Mines in Shaw and Deloro Townships in the South Porcupine Mining area. While good values have been obtained from the limited amount of work done to date, the property is still unproved.

Recently officials of the company estimated that 25,000 tons of ore were blocked out on two of the veins, with an estimated value of $10 per ton at current gold prices. You will see from this that a considerable amount of work still remains to be done on the property. In addition we understand that there is about $5,000 still owing on this property.

We can find no active market for the stock at the present time. You are probably aware that this stock is not listed on any exchange.

Central Patricia

Could you give me any particulars on Central Patricia Gold, which I see is advancing in price. What is behind this movement? Is it a manipulation or a development?

The recent rise in the price of Central Patricia Gold is due entirely to the very good development underground. Since this company started production, ore reserves have been more than doubled and the grade has been maintained at between .55 ounces and .65 ounces gold per ton. New crushing units are being installed which will increase the daily capacity to 150 tons.

Add to these, the fact that development on the company's subsidiary property known as the Springer Group, has been also encouraging and you will see why the stock has been so bullish of late. Central Patricia is handled by experienced men and at the present time outlook for increased earnings which in the first six months of 1935 amounted to a net of $99,899, are particularly good.

Goldale Mines

I would appreciate some information regarding the standing of Goldale Mines. I believe it is more or less of a holding company, and would like to find out what its holdings are at present.

Goldale Mines operates principally as an exploration and holding company with widespread interests. The management which is headed by Jas. Y. Murdoch, K.C. president of Noranda, is experienced and the company is understood to have cash on hand of $49,000.

At the annual meeting of the company, it was stated that holdings in other mining companies at the present market value, represented an equity of $207,608 as compared with $147,625 in the previous year. The holdings consisted at that time of the following stocks: Bralorne—2,000 shares, Teck-Hughes—2,000 shares, Wright-Hargreaves — 4,000 shares, Pickle Crow—25,000 shares acquired at 50 cents per share, Northern Canadian Mining Corp.—2,500 shares, Hollinger—5,000 shares, Noranda—2,000 shares and International Nickel—1,000 shares.

In addition the company had 59,484 shares in Coniaurum and 100,000 shares of East Rouyn acquired at 15 cents per share.

Since that time (the annual meeting was held toward the end of April) the company has underwritten 200,000 shares of Birch Bay Gold Mines southeast of the Big Long Lac area of Ontario. Development on this property failed to give any promise, however, and early this month this company announced that Birch Bay Gold Mines had acquired another group of claims west of Port Arthur. A new agreement with Goldale Mines was drawn up whereby Goldale makes an additional firm commitment of $12,000 and obtains options on the balance of the treasury stock of Birch. Under the first agreement a commitment of $25,000 was paid.

While the Birch Bay project is still in the raw prospect stage, you will notice from the above that Goldale has holdings in some outstanding mines.

Companies Formed

Being a subscriber to your paper, I would like to know how many mines have been promoted since the discovery of Hollinger Mines, and also the number paying dividends.

We regret that there are no statistics available which would give one a basis for estimating the number of mines promoted since the discovery of the Hollinger Mine. The Hollinger property was originally staked in 1909. In the past 26 years, there have been many thousands of mining companies promoted. The best estimate we can give you is based on our section in The Financial Post Survey of Mines which lists some 3,000 dead and dormant companies. In addition, there are, roughly speaking, some 2,000 companies in Canada which might be considered active. Thus, in very round figures, it would appear that there were about 5,000 companies receiving provincial or federal charters since the early part of the century. This is only a rough figure but we believe it is as close an estimate as is possible.

Regarding dividend payments, we would refer you to an article appearing in The Post on Nov. 30 which estimates the total amount of dividends paid and to be paid in 1935. You will see from this article that there are some 28 mining companies paying dividends this year. In addition, there are several holding companies, such as Anglo-Huronian, McKinley and Northern Canada Mining Corp. which are paying dividends from investments in mining companies. Such companies as Little Long Lac Gold Mine, Cariboo Gold Quartz and others, will definitely or are expected to join the ranks of dividend payers in 1936.

Dominion Porcupine

Our home and contents were recently destroyed by a disastrous fire. Included in the contents were 3,000 shares of Dominion Porcupine stock, registered in my own name. This property is strategically located, I understand, and I would not want to lose this investment. What should I do?

Since the stock in Dominion Porcupine held by you was registered in your own name, you should experience no difficulty in getting duplicate certificates. Transfer agents for this company are Chartered Trust & Executor Company, 34 King Street West, Toronto. We would suggest that you write this company in connection with your stock. You will probably be required to sign a declaration certifying that the stock is definitely lost, and it should be a matter of routine to have duplicate certificates sent you. At the present time, of course, there is no active market for this stock.

Noranda Mines' Stock Listed on Montreal Board

From Our Own Correspondent

MONTREAL.—Stock of Noranda Mines Ltd. has been listed on the Montreal Stock Exchange. The listing covers 2,239,772 shares of no par value common stock, all outstanding in the hands of the public, of a total authorized issue of 2,250,000 shares. The company has no preference stock and no bonded indebtedness.

REWARD OPTIONS THREE OLD MINES ABANDONS OTHERS

Alaska Properties Worked Prior to 1891 Acquired

Reward Mining Co., originally operating in the Bridge River area of British Columbia, has taken under option three old mines near Thorne Arm, Alaska, 20 miles south of Ketchikan, C. P. Riel, managing director, informs The Post. These properties were worked prior to 1891 and were acquired by Alex Smith, the company's geologist.

Work on the company's various properties in the Rice Lake area of Manitoba, at Shining Tree, Ont., near Kamloops, B.C.; near Slocan City, B.C., at Cottonwood River, Barkerville area, B.C., and the Quebec property, 13 miles due west of Noranda have all been abandoned.

Mining Reports

Ymir Yankee Girl

In its first annual report, Ymir Yankee Girl, a producing gold mine in the Nelson mining division of British Columbia, reports total assured, reasonably assured, and probable ore reserves of 258,500 tons, as at Sept. 30, 1935. This estimate is based on the following table:

Ore Estimate

	Tons
Assured ore	10,000
Reasonably assured (Yankee Girl vein)	118,400
Reasonably assured (Spur vein)	69,500
Probable (Yankee Girl vein)	56,100
Probable (Spur vein)	4,500
Over-all total	258,500

E. P. Crawford, president, confirms the fact that early months of mill operation did not yield recoveries of gold up to expectations, due largely to the sulphide nature of the ore. Mill results have improved markedly, however, since August, the president states, and gold recovery is now around 90 per cent. Favored by higher lead prices, milling practice has settled on production of lead concentrate for shipment to the smelter, and cyanidation of zinc-iron concentrate.

Mining is gradually adopting the "cut and fill" method of stoping wherever possible, thus lessening dilution in stoping. Development on the 540 ft. level has been satisfactory, Mr. Crawford states, and has increased ore reserves in that area.

Below the 1,235 level, the winze and new 1,360 level have as yet opened up only a part of the ore-bearing length of the Yankee Girl vein.

The grade of assured and reasonably assured ore reserves, shown in the above table is estimated at about 0.41 oz. gold per ton, 2.3 oz. silver, 2.5 per cent lead, and 4.0 per cent zinc.

The balance sheet of the company as at Aug. 31, 1935, shows current assets of $77,276 as against current liabilities of $22,394. Current assets include cash of $37,138 and current liabilities include $2,300 due Wesko Exploration & Development Co.

Since the mill only started in January of this year, the profit and loss statement covering operations from July 12, 1934, to Aug. 31, 1935, reflects only seven months operations of a new mill on complex ore.

Profit and loss for the period is shown as follows:

Profit & Loss Account
(July 12, 1934 to Aug. 31, 1935)

	$
Revenue from production:	
Crude ore	69,001
Concentrates	78,674
Precipitates	79,095
Total rev. from production	226,770
Less: Production costs	151,046
Shipping, marketing, etc.	25,429
Operating profit	50,295
Add: Misc. income	967
	51,262
Less: Shut-down exp.	11,346
Vancouver office exp.	2,065
Legal & acc't. exp.	1,786
Travell. & misc. exp.	2,736
Consultation fees	1,734
Prelim. & organ. exp.	1,818
Profit before deplet. deprec. & income taxes	29,777
Less: Depletion	5,000
Depreciation	10,000
Dom. & prov. taxes	4,397
Net profit	10,380

Drop Option Agreement On 80,000 Wayside Shares

Wayside Consolidated Gold Mine reports to the Toronto Stock Exchange that the option agreement entered into in September of this year has been terminated. A total of 80,000 shares was taken up by the optionee; the balance relinquished.

Under the original option agreement, 160,000 treasury shares were involved. The option had been allocated in the following blocks: 10,000 shares at 15 cents cash; 40,000 shares at the same price to be taken up by October 15; 70,000 shares at 17½ cents by November 15, 30,000 at 17½ cents by January 31, 1936; 10,000 shares at 20 cents by February 15, 1936.

Again B.C. Nickel Postpones Mill; Still Has Hope

Again B. C. Nickel has had to postpone milling plans.

Readers of The Post will recall that early this spring, officials of this company predicted that by July 1935 an estimated 2 million tons of ore reserves would be blocked out At that time officials stated, consideration would be given to completion of long-deferred mill plans.

Recently G. M. Stacey, secretary of the company stated that development work since last summer, while "quite promising," has not disclosed commercial nickel ore as rapidly as had been hoped. Mr. Stacey states that while it will take longer than had been anticipated to develop this objective, there is every intention of continuing the programme. It is understood that to date the company has proven about 1.5 million tons of commercial ore.

Pei Wei Hills Area Will Get New Test

From Our Own Correspondent

WINNIPEG.—As a result of exploration work done by the Petroleum Engineering Co. during the last five years in the Pei Wei Hills district, acreage has now been secured on what is considered to be the apex of the structure and several test wells will be drilled by the Pei Wei Hills Exploration Co.

The original field work was carried out by W. B. Fry and Dr. D. F. MacDonald subsequently made a geological survey of the area checking the work done by Mr. Fry and confirming the location he had chosen for the first test well. This well will be put down about five miles south of Reserve station on the Sturgis-Hudson Bay Jct. line of the Canadian National Railway.

The Pei Wei Exploration Co. is being financed by oil interests with headquarters in New York.

Canada Radium Prepares For Work on 375-ft. Level

Development work on the 250-ft. level at Canada Radium Mines Ltd., a radium prospect near Haliburton, Ont., has been favorable, H. L. McClelland, engineer in charge, reports. Accordingly he recommends orderly bulk sampling.

In a report recently circulated among shareholders, Mr. McClelland suggested that small rounds of 1,000 and 1,500 lb. be shot at regular intervals and also at the more likely places, including intersections.

All this material would then be assayed at the new laboratory recently completed by the company. E. C. Rudd, B.A.Sc., graduate of the University of Toronto has been appointed metallurgist in charge.

It is stated that work has already started on the 375-ft. level. Work has commenced on deepening the shaft for a sump, and cutting a pump station, in preparation for active development of this level.

Meridian Reduces Crew To Conserve Treasury

To safeguard working capital position, Meridian Mining Co. has reduced operating expenses by cutting the crew from 80 to 42 men, A. K. McLean, secretary-treasurer, reports.

It is estimated that this will be sufficient to maintain the development programme, although at a slower pace than formerly. Mr. McLean reports that at the end of October the company had $19,000 in cash. Against this amount were the current items for the month of between $15,000 and $16,000.

In addition to cash, the company has as current assets, premiums due from the smelters on one shipment and returns on two shipments of concentrate.

San Antonio 3rd Dividend Involves Larger Payment

From Our Own Correspondent

WINNIPEG.—A Christmas box of seven cents a share dividend has been declared by San Antonio Mines, the third dividend of the year and bringing payments up to 21 cents per share, which at the current price of the stock places it on a seven per cent basis.

The recent dividend, payable Dec. 20, involves a substantially larger cash payment than either of the other interim dividends because of the issuance of 75,376 shares of San Antonio stock to Gabrielle shareholders in the taking over of the Gabrielle property.

FEDERAL GOLD SPEEDS WORK; PLANS TO DRILL

Tunnel at Cariboo Property Now in 1,140 Feet

Tunnelling at the property of Federal Gold Mines in the Cariboo district of British Columbia has now advanced 1,140 ft., C. P. Reil, managing director tells The Financial Post. Directors recently decided to put on another shift in the tunnel and to let a contract for an extensive diamond drilling programme.

Of an authorized capitalization of 2.5 millions, $1 par value stock, 1,070,000 shares were outstanding as at November 25. Of this, 200,000 shares were issued for property and are held in escrow. Mr. Riel reports that arrangements have been completed with D. D. Bogue & Co., Montreal, whereby the company will receive $240,000. Mr. Bogue was a recent visitor to the property.

GAINS-MOOR SYND. IN MUD LAKE AREA

Report Extensive Holdings in Quebec Field

Gains-Moor Gold Mines Syndicate Ltd., has acquired under option the ten "Sharpe" claims in the Mud Lake district of Quebec. These are tied on to the western boundary line of MacIntyre property, The Post learns. Simultaneously 2,000 ft. of diamond drilling will be done, a contract for this amount having been entered into with N. Morrissette, of Haileybury. The drill is now on the ground and operating.

Surface development on the property has resulted in exposing more than 20 well-mineralized quartz veins, it is reported, of which one is 6 to 9 ft. wide, and has been striped and trenched for a distance of 2,600 ft. Average values from cross channel assays have yielded $2.50 gold per ton of ore.

Surface showings, officials believe, warrant an attempt to ascertain the presence and width of ore bodies at a depth and their approximate values.

Controls 150 Claims in Rose Lake

Gains-Moor Gold Mines Syndicate Ltd. now controls a total of 156 claims in this area, including the former Nippissing group of 53 claims tying on to the northern and eastern boundary lines of the Noranda option, and a short distance north of the MacIntyre.

The syndicate has also acquired options on 40 claims tying on to the southern and eastern boundary lines of the Coniagas property. The 30 "Smith" claims north of Cross Lake in the adjoining township and the 50 Cook claims in the Rose Lake district north of Senneterre are other holdings of this company.

The Directorate

On the board of directors are Arthur C. Price, newsprint broker and son of the late Sir Wm. Price, president; Alfred J. Thibedeau, superintendent of the Newsprint and Sulphide mills of the E. B. Eddy Co. of Hull, Que., vice-president; and W. S. McCall of the Department of Railways and Canals, Ottawa, Ont., sec.-treas.

New Transformer

The B.C. Electric Co. has started construction of a $50,000 transmission line between Burnaby and Horne Payne stations near Vancouver.

Get Early News On 500-Ft. Level At Pickle Crow

Reporting on results of the first exploration of the vein cut on the 500-ft. level, Pickle Crow Mines informs The Post that four rounds taken out of the main vein on this level gave values of $82.90 per ton across 24 inches, while three rounds to the west gave $47.60 per ton across 48 inches; $3.50 across 42 inches and $13.30 across 36 inches. One round to the east gave $42 across 22 inches.

The average is better than one ounce per ton across 34½ inches at the time of the report.

In the meantime, crosscuts have been started on 625- and 750-ft. levels to reach the vein, but it will be two or three weeks before this objective can be reached.

November production is expected to be about the same as that for October which amounted to slightly over $112,000.

North Star Oil Resumes Dividends on Preferred

Declaration of a dividend of 17½ cents a share on $1 million of 7 per cent cumulative preferred stock of $5 par value apparently indicates continued improvement in earnings and collections by North Star Oil, Ltd.

The stock will still be in arrears on January 2, 1936, to the extent of 42¾ cents a share. The full dividend is 35 cents a share but nothing was paid in 1934 and only 26¼ cents a share in 1933.

Earnings in 1934 were 43 cents a share. There was a deficiency in working capital at the end of 1934. Bills and accounts payable had been gradually reduced from $3 millions at the end of 1930 to $1.9 millions at the end of 1934. Accounts receivable in the same period has been written down sharply from $2.4 millions to $685,983 after reserve for doubtful accounts.

The company has apparently been planning expansion into Northwestern Ontario. A license in mortmain to acquire land for that purpose was granted last spring.

Building Revives

The value of building permits issued in greater Vancouver during the first eight months of 1935 totalled $3,282,320; more than three times the total for the same period last year.

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Financial Tipster Sheets

As "Investment Journals," Promotion Publications Continue to Take Their Toll of Unwary Speculative Dollars

By THOMAS C. THOMPSON

Financial tipster sheets in Canada have donned the cloak of respectability.

In comparison with the old style, garishly colored "news bulletins" of unknown brokerage firms, or the spectacular mining and financial "newspapers" of a year or two ago, the newer promotion efforts are at least a triumph of the printer's art.

As staid, ultra conservative "investment journals" they are difficult to recognize, but their purpose is the same, and behind the impressive—and usually lengthy—name lies the same effort to lure the unwary speculative dollar.

Window Dressing

Consequently, the prominence given to weighty discussions of international finance and trade in the present day tipster sheet is somewhat puzzling at first glance, until it is remembered that tipster sheets in any form are merely window dressing for the promotion they were created to publicize. It is not until the "planted" enquiry columns are scanned, or the inevitable "investment service" coupon clipped, that the real character of the publication begins to make itself evident.

Have a Following

Enquiries recently indicate that the newer forms of promotion sheets, and market rigging publications, in Canada continue to have a following, although not to the extent, perhaps, that existed a few years ago when it was unnecessary to submit copies of such "literature" to the Ontario Securities Commission.

The enterprising practices of tipster publications have been familiar to professional mining and newspaper circles in Toronto and Montreal for years. Incidents in recent weeks indicate that the newest wrinkle that appears to be bringing results is the "investment service" that sometimes accompanies the publicity functions of the paper.

Readers Follow "Advice"

It is found, too, that although the nature of the publication is sometimes recognized by a reader, the latter may nevertheless follow the "advice" given in the hope of being on the "inside" of a market play.

Since it is not difficult for any casual observer of the stock markets to be "right" in 50 cases out of 100, and "wrong" in the other 50, many persons have made stock market profits from the tips given.

The Source of Profits

From this crop of "winners" come the funds later diverted into the promotion in the background, ready to be produced as the "greatest opportunity for quick profits in the history of mining," or some other style of groundfloor money making. Then the scheme is operated over again from the beginning, with a new crop of profits from advice that happened to be correct.

A Typical Case

The statistician of a large Toronto brokerage firm received a telephone call a few weeks ago from a client asking advice on a mining venture. He had been advised by a weekly paper, ostensibly devoted to the interests of mining, to switch from one penny mining stock to another.

Both companies were, in the parlance of the street, "dogs." The statistician said so in more polite language and, his suspicions aroused, asked the client details of the name, publication office, and other data of the so-called newspaper. It required no great effort to find that having previously tipped one of the two stocks, the incentive for the "switch" advice was greater than appeared on the surface. In other words, the paper had a new and better "deal" on hand.

"News Bulletins"

As a harmless amusement for idle moments, the old style "news bulletins" circulated by promoters operating under the guise of brokers were widely read in Toronto financial circles a year or two ago. They flooded the mails in all the colors of the rainbow, and they were extravagant in their descriptions of various mining ventures and other promotions.

For a time they brought results, and in the case of a mining company whose property is now in the hands of the sheriff, the bulletins were almost "objets d'art." They were a nightmare shade of green, with headings in handbill type, and thousands of dollars were spent to circulate them in Ontario and elsewhere.

After announcing discoveries of new veins until it appeared that the property must consist entirely of vein networks with a meagre scattering of barren rock, the bulletins were later followed by frantic telephone calls and telegrams to out-of-town prospects urging purchase of the shares.

Boiler Rooms

Lists of names were given to the telephone company to be called one after the other, and the lights of the mining company-brokerage firm's ornate office on Bay Street, Toronto, burned far into the night. At the Toronto end of the wire sat the boiler-room experts, repeating parrot-like the startling details of the latest "find" at the property in the north.

Must File Copies

Before the clean-up was made by Ontario authorities, and regulations passed that copies of all brokerage house "literature" must be filed with the Ontario Securities Commission, the bulletin racket had fallen on evil days. Either from lack of discoveries or imagination, the bulletins and telegrams began to lose their "pull," and as more and more of them reached the persons unfortunate enough to be on the promotional "sucker lists," they were consigned unread to the waste baskets.

An Altruistic Venture

At least one financial news bulletin service in Ontario was inaugurated, however, with motives that were almost altruistic.

It was designed as a mining and industrial news venture, and financed by sources associated with the mining industry, with express instructions to its business and editorial heads to publish nothing but the truth; and to avoid the efforts of promotion interests to insert publicity in its sheets. There was to be no advertising and it was to be ultimately self supported entirely by subscription rates.

It failed in six months; was reorganized and operated for a time as a publicity medium for anyone who would pay for space, and subsequently sold again to fulfill its original function as a news service. It is still operating, but with what degree of financial success is unknown.

Mining Promotion

In direct contrast to the motives prompting the publication of this service was the revival some time ago of a former mining weekly, with offices both in Toronto and Montreal. The paper was quietly financed by a mining concern interested in acquiring various properties for promotion and development. The mining company itself was operated on ethical lines, so far as anyone knows, but it had no conception whatever of newspaper publishing ethics.

Experienced newspaper men were engaged, either as full time editors, or part time contributors. Advertising was solicited and the newspaper functioned in a normal way, except that its editorial content was strongly tinged with glowing reports of properties and new mining companies of which little was known except in its own columns. The connection between the paper and the mining company was kept a careful secret, until, by an amazingly naive mistake, the truth became known.

Full Page Advertisements

The mining concern backing the enterprise—anxious to get its money's worth—began to publish full-page advertisements week after week. At the same time, the paper began to lose money. The result was a gradual cooling of the mining company's enthusiasm for the publishing business, and the end came one Christmas eve when the editorial staff went sadly home without a dollar in their pockets, to contemplate a cheerless Christmas and the prospects for new jobs.

The broader implications of the venture were equally unfortunate, however, since the highly colored "news" of the touted mining operations in its columns probably cost thousands of small speculators a financial loss.

The mining concern in an apparently honest attempt to increase publicity of its business, had placed itself in the position of backing an enterprise where there was no hope of giving the public unbiased mining news.

Currently, the necessity of giving the benefit of the doubt to any new financial publication is based on the assumption that it is an honest effort in journalism. To condemn all such publications is obviously absurd. But the smoother style of promotion effort developed out of the experiences of recent years makes necessary a canny knowledge of mining, finance, and newspaper publishing ethics to recognize the promotion wolf in the newspaper sheep's clothing.

Footnotes to Ottawa

Uniform Port Tariffs

* * * *

Radio Licenses May Cease

* * * *

Courtesy Training for Customs

* * * *

From Our Own Correspondent

OTTAWA.—Coincident with the reorganization of the harbor commission administration, the Dominion government is taking steps to iron out discriminations in port charges as between the various ports of the country.

While administration was in the hands of local authorities it was almost impossible to prevent one port from cutting charges in order to gain an advantage over another port.

Nor was the Dominion government itself free from the practice of throat cutting in this field. The government granted to Churchill a scale of port charges quite out of line with those prevailing elsewhere and greatly in favor of the northern route. In the future, these discriminatory port tariffs are to cease and a uniform standard will be enforced from Ottawa.

* * *

Radio Licenses

REPORTS that the system of radio licenses will be abandoned and that revenue for the government's radio services will be raised by a tax on radio tubes are unofficially confirmed at Ottawa.

These reports cannot be confirmed officially because the matter has not yet been discussed by the cabinet. The opinion prevails, however, that the present license system is hopelessly inefficient. Newspaper stories that it costs as much as $5 or $7 to collect a single license fee are branded as ridiculous, and Ottawa says the cost is about 15 cents for each $2 license, with a general overhead of 5 per cent. No government, it is stated, would retain a tax which cost more than 100 per cent to collect.

The present charge for a license is $2, and any cost in excess of 30 per cent for collection is deemed prohibitive. In place of this license fee, the government will probably adopt a stamp tax on radio tubes. This would operate precisely as an excise tax, would be self administered and, therefore, much more profitable to the treasury than the present impost. The suggestion originated some years ago with Hon. James Malcolm, former minister of Trade and Commerce, but was never adopted by the old government.

* * *

Commission Changes

CHANGES in the personnel of the radio commission are now believed likely to take place after the close of the fiscal year next March 31. There are two statutes involved. The first statute creates the commission and provides for the appointment of the three commissioners. The second statute authorizes the appointment of the personnel of the commission. The first statute continues in force until amended. The second expires automatically April 30, 1936, and with its expiration the government will be in a position to effect a general reorganization of the commission if it chooses to do so.

The belief that the commission itself will be reorganized persists in cabinet circles although the matter has not been brought before the government, as yet, in any formal way. Reorganization will likely be preceded by a special Commons committee enquiry, particularly with the "Mr. Sage" election broadcasts.

* * *

Customs Courtesy

THE government has instructed the National Revenue Department to draw up instructions to be sent to all customs ports ordering officials to do their utmost to facilitate tourist and ordinary commercial intercourse to and from Canada.

In recent years, many complaints have been received against the strictness and lack of courtesy shown by customs officers. Hon. R. C. Matthews, former minister of National Revenue did much to put a stop to undue officiousness at Canada's ports. The work is now to be carried through.

* * *

N. Z. Treaty Extension

EXTENSION of the trade agreement between New Zealand and Canada, while it gives some additional small concessions to this country, is regarded by the government as a temporary expedient to enable full dress negotiations to take place.

The extension is from Nov. 24, 1935, to July 31, 1936.

The new concessions are chiefly reductions in tariff on motor car parts imported into New Zealand for assembly in that Dominion. The companies which stand to benefit are the larger automobile makers such as the Ford Motor Co., of Canada.

* * *

Courts to Rule on Acts

WITH the Natural Products Marketing Act referred to the Supreme Court, the Department of Agriculture will mark time so far as administration is concerned until the court has ruled upon its validity.

Hon. J. G. Gardiner, minister of agriculture, has let it be known that there will be no new schemes embarked upon and no new departures with respect to schemes now in operation. The Farmers' Creditors Arrangement Act is in precisely the same position.

If the court rules these statutes valid, the decision will not mean that the government will accept them as they now stand. The ministry will then be in a position to deal with them and, without doubt, amendments will be placed before the next session of parliament.

Conversely, if these acts are ruled invalid, the ministry will have to decide if they can be revised in such a way as to escape challenge in the court.

Canada's Trade Pact Aids Newfoundland

Inasmuch as Newfoundland has a most-favored-nation treaty with the United States, she will naturally obtain the same concessions which were recently granted to Canada. On the other hand, no offsetting concession will be required of her, so that she stands to gain considerably on balance.

It is believed that chief benefit to the country will accrue from the reductions in duty on fish, although some disappointment is being expressed in the Newfoundland press that codfish was not included. Newfoundland has been supplying a very small quantity of the fish which comes under the terms of the treaty. Halibut and smelts are expected to be considerably aided by the lower tariff.

Newsprint, also one of Newfoundland's staple products, is continued on the free list. The mining provisions in the revised schedule are not regarded as being of any great importance so far as Newfoundland is concerned.

Winter Season Will be Active At Halifax Port

Activity is foreshadowed during the winter shipping season at Halifax, N.S.

The winter season is now officially open, with the first arrivals of transatlantic liners from Great Britain, and indications are that the port will experience a reasonably heavy volume of business. The effect will be to stimulate activity in employment, railway traffic, warehousing, and other economic indices.

Movement of large quantities of cargo over waterfront piers are reported as the season opens, while immigration officials, customs men, and steamship companies' employees, stationed at Montreal and Quebec during the summer, are now on hand for the first steamer arrivals. Among the latter are the C.P.R. liner Montclare, and the Cunard-White Star's Alaunia.

Ford Car Exports At New High Level

Export shipments of 1936 Ford V-8's by Ford Motor Co. of Canada in November and December will include more than 5,000 units. It is the heaviest movement in the company's history.

The shipments are going chiefly to Australia, New Zealand and South Africa.

Empire Trade

Benefits of Agreements Outlined by British Trade Commissioner — Overcome Passive Resistance

From Our Own Correspondent

MONTREAL.—Empire trade agreements have resulted in a relatively substantial increase in trade within the Empire at the expense of countries outside of the fold, according to a statement prepared by F. W. Field, C.M.G., Senior British Trade Commissioner to Canada. In 1926, he said, the proportion of Canada's imports from Empire countries was 21 per cent and last year 30.6 per cent; in 1926, imports from foreign countries were 78.7 per cent and last year Canadian purchases from foreign countries had dropped to 69 per cent.

Canadian exports to Empire countries in 1926 was 43.8 per cent of the totals and last year it had risen to 51 per cent. The Dominion's exports to foreign countries in 1926 were 56 per cent of the total and last year had dropped to 48.7 per cent, thus proving that Canadian trade, both import and export, has been turned more into Empire and less into foreign channels.

Good Increases Recorded

In discussing the trend of trade between Canada and the other Dominions, Mr. Field comments:

"Canadian trade with British India, in both directions, has increased. You buy from that vast country, tea, jute fabrics, rice, spices, green coffee, carpets and waxes, etc., and you sell to India, silver bullion, motor cars, tires and many other commodities.

"While business between Australia and Canada is not likely to attain a large volume because both countries are competitive in products of major importance, the trade between the two has increased materially. Australia ranks third in order of importance in Canada's export trade, coming after the United States and United Kingdom.

"Your country sells to Australia newsprint, lumber, canned salmon, motor cars and other goods and you buy from Australia, raisins, currants, canned fruits, wool, sugar, wines, etc.

South African Trade

"Last year, the volume of trade between South Africa and Canada reached a new high record. This was the result of a substantial increase in Canadian exports to South Africa. Trade the other way declined and naturally the work of the South African Trade Commissioner in Canada is to do his best—as he is doing—to improve the trade balance. The expansion in Canadian exports to that country was due mainly to the increase in South Africa's purchases abroad, due in turn to the boom conditions in the goldfields of South Africa.

The decline in the exports of South Africa to Canada was caused largely by the decrease in imports by Canada of South African sugar. In 1933, exports of sugar from South Africa to Canada represented 87 per cent of the total exports and last year only 35 per cent. This was due primarily to a sudden alteration in the preference on Colonial sugars in the United Kingdom, which caused British West Indies sugar to displace South African sugar. It is expected this year that British West Indies sugars will replace foreign sugars in Canada, thus making room here for imports of South African sugars.

"The effect of the trade agreement of 1932 between Canada and New Zealand has been generally helpful to both countries. The trade is still a liittle one-sided in favor of Canada but the disparity, it would appear, is being gradually corrected. New Zealand is a market for Canadian motor cars, canned salmon, machinery, paper, hardware and many other products. Canada buys from New Zealand apples, butter, hides, sausage casings and wool, and other commodities.

"Trade between Canada and the British West Indies has shown an upward trend in both directions. The British West Indies last year were the third principal shippers of goods to Canada, taking that place behind the United States and the United Kingdom. As buyers of Canadian goods, the British West Indies rank eighth in position. You are buying coconuts, spices, rum and particularly bananas, oranges and grapefruit in larger quantities from the British West Indies. Fresh vegetables, including tomatoes (when Canadian tomatoes are not in season) are also being sold here by the British West Indies and they buy from you a long list of miscellaneous commodities.

Passive Resistance Seen

"One of the obstacles to the development of Empire trade in this country is perhaps what we may term a passive resistance to turning to Empire channels purchases now being made in foreign countries. This resistance is not deliberate. It arises, as a rule, from the fact that a firm has done business in a certain channel for many years and they do not wish to disturb existing trade connections or to experiment with new ones. In a sense, this is only natural. At the same time we must overcome any passive resistance of that kind if we are to make further strides in developing trade between the countries of our great Empire.

"Efforts throughout the Empire to develop trade, one with another, do not prevent attempts to improve our trade with foreign countries. We have a notable example in the trade agreement between Canada and the United States, signed at Washington last week. In no case was any concession extended by Canada to the United States which violates the provisions of Empire agreements."

Central Station Output Continues to Set Records

From Our Own Correspondent

MONTREAL.—Canadian central electric stations continue to establish new high records by producing 2,162 million kw.h. in October, according to a report issued by the Dominion Bureau of Statistics.

This is not only the largest quantity produced in any month but, after adjustment for the unequal number of days in the month and the seasonal variations, the index number also reached a new high of 202.55, which was 6.64 points above the previous record made in September, last.

Exports to the United States increased from 142.2 million kw.h. in September and 107.1 million kw.h. in October last year, to 146.5 million kw.h. in October, 1935. The increase over last year was 63 per cent firm power and 37 per cent surplus power and the additional day about accounted for the increase over September.

Boilers Take More

Deliveries to electric boilers increased from 453.3 million kw.h. in September to 563.1 million kw.h. In Quebec the increase was 332 million to 408 million kw.h., or by 23 per cent; and in October from 98.3 million to 123.3 million kw.h., or by 25 per cent.

Output, less exports to the United States and deliveries to electric boilers, or the consumption of firm power in Canada (including losses) also established a new high record in October at 1,453 million kw.h.

Quebec Gives Lead

Quebec province showed the largest increase in consumption of firm power, comparing October with September, with an additional 63.8 million kw.h. or 13.5 per cent. In Ontario this consumption increased by 41.4 million kw.h. or 7.5 per cent; in the Prairie Provinces, by 10.2 million kw.h. or 8.5 per cent; in British Columbia by 8.4 million kw.h. or 6.7 per cent and in the Maritime Provinces by 5.6 million kw.h. or 9.7 per cent.

Ontario Takes Less

Reversing the usual trend, exports of power from Quebec to Ontario declined this year from 196, million kw.h. in September to 185, million kw.h. in October. The Hydro-Electric Power Commission of Ontario purchases power from Quebec plants on a horsepower year demand basis and resells to them off-peak power on a kilowatt basis. Such kilowatt hours are not included in the exports from Quebec to Ontario.

The BACHELOR'S CORNER
WILSON'S BACHELOR
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Christmas Hint...

One thing I always approve of is getting Christmas shopping done early. There's no more slovenly or thoughtless habit than that of leaving everything to the last minute rush. I'm going to do my bit for the poor, soon-to-be-harassed shopkeepers right now by letting my friends, male and female, know what I want for Christmas.

Or perhaps the grateful thousands of readers of these words of wisdom have guessed already.

Well, anyway it's good to get back to Christmas and

"IT'S GOOD TO GET BACK TO A 10c. CIGAR!"

WILSON'S BACHELOR Cigar

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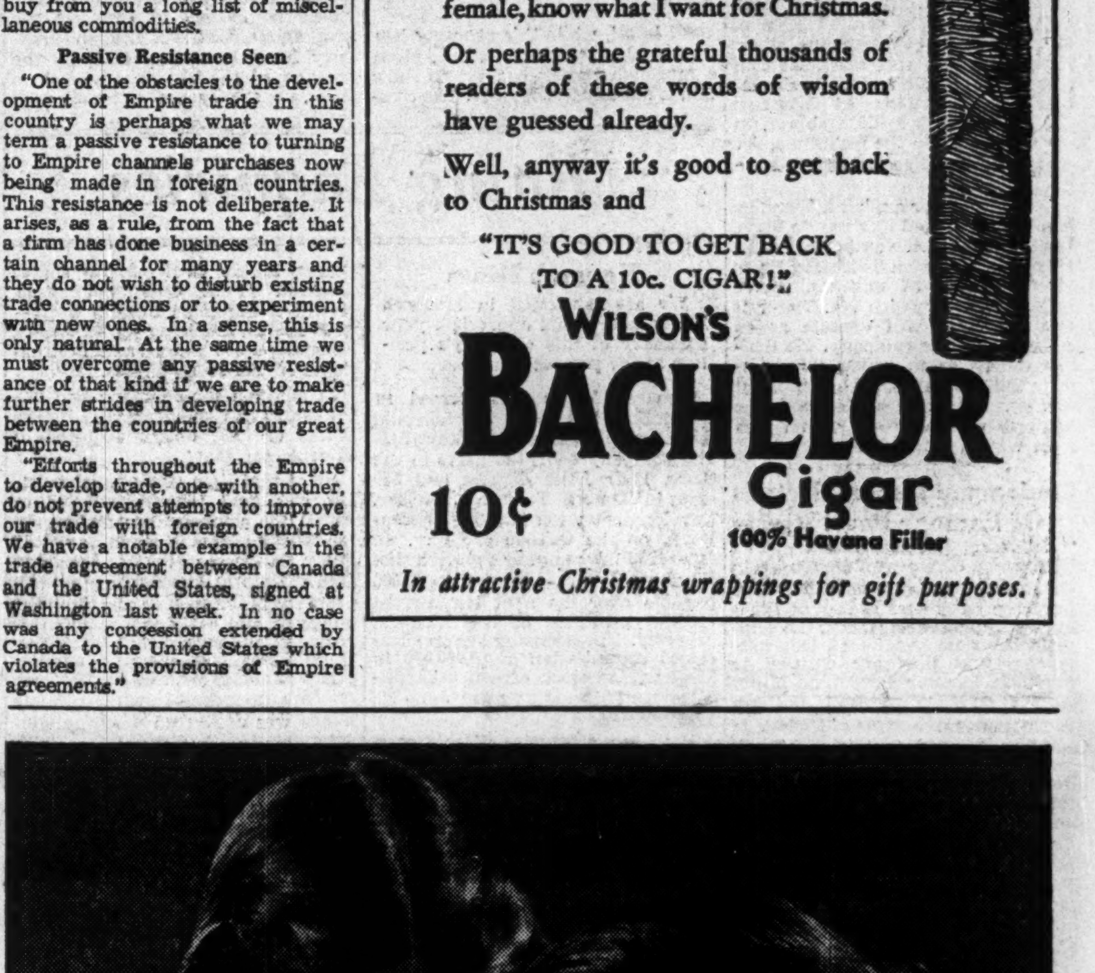
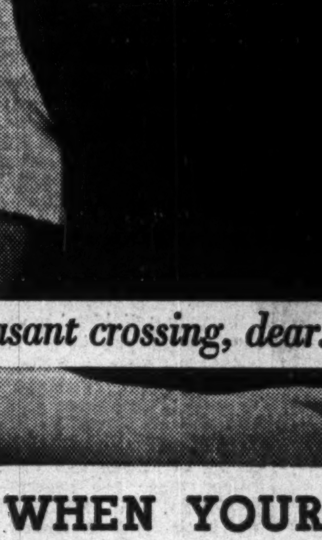
In attractive Christmas wrappings for gift purposes.



"Pleasant crossing, dear. Joan is here, saying good-bye too."

WHEN YOUR BOAT SAILS IN FIVE MINUTES ... AND YOU'LL BE AWAY A LONG TIME ... AND YOU KNOW THE "FAMILY" ARE LONESOME ALREADY...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